

**THE STATE OF HAWAI‘I’S
2012 INTEGRATED
WORKFORCE INVESTMENT ACT
AND
WAGNER PEYSER STATE PLAN**

SEPTEMBER 15, 2012

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SECTION I. STATE WORKFORCE STRATEGIC PLAN

GOVERNOR NEIL ABERCROMBIE'S VISION

Requirements: Describe the governor's strategic vision for the state's economy and overarching goals for the state's workforce system.

The Honorable Neil Abercrombie's vision focuses on the belief that "When Hawai'i Works, Hawai'i Wins." The Governor's New Day Plan has three overarching goals that comprise a winning strategy for Hawai'i by: Growing a Sustainable Economy, Investing in People, and Transforming Government. Each of these three goals are providing strategic direction and guiding investments of the workforce system to prepare the state's workforce with the skill development, education, and training needed to meet the needs of Hawai'i's future economy.

GROWING A SUSTAINABLE ECONOMY

To grow a sustainable economy, the governor's administration has released over \$425 million for capital improvement projects all across the state, focusing on New Day Priorities like energy efficiency, irrigation systems, and education and public facilities repairs. These projects are contributing to Hawai'i having the nation's second highest rate of growth in construction jobs over the last year.

A focus on developing renewable energy has led the Department of Business, Economic Development, and Tourism (DBEDT) to act as a catalyst for creating energy efficiency measures, supporting renewable energy development, and implementing progressive policies that lead to more jobs in Hawai'i's clean energy sector and investments in Hawai'i's economy. The Governor plans to further the development of renewable energy by continuing to build the capacity of the Public Utilities Commission and eliminate outdated regulatory functions to turn it into a clean energy driver, advance the development of an interisland cable system to connect the islands and fully utilize our renewable resources in a way where the negative impacts are mitigated and the benefits are shared, and take steps to make it easier for low- to moderate-income homeowners and renters to purchase renewable energy systems and energy efficient appliances. The Department of Labor and Industrial Relations (DLIR) finished a survey of Green Jobs in Hawai'i and is executing a plan to maximize efforts to support workforce and economic development. The DLIR is broadening community outreach and

dissemination of information on green jobs through enhancements to the Hawai'i Green Jobs Portal (www.greenjobshawaii.org and <http://greenjobshawaii.hirenethawaii.com>) to help the state meet its clean energy goals. All of this will require the development of a highly skilled workforce for the renewable energy industry.

To address food security issues, the Department of Agriculture will lead the state's food security efforts, expanding its reach to coordinate food production, marketing and demand through the state's public schools, prisons, and healthcare facilities. In an effort to support farmers and ranchers, the administration plans to build support for food security efforts. Additionally, the administration undertake the following:

- Take a more visible role in statewide coordination efforts;
- Activate the Agricultural Development Corporation to make it an effective catalyst for entrepreneurial farming;
- Facilitate "Buy Local" efforts and advancement of food sustainability in prisons and schools; and
- Provide a comprehensive report on state lands with available water resources for agriculture and livestock.

The workforce system will be partnering with a number of organizations to address workforce issues in the agriculture industry by continuing a best practice known as Industry Skill Panels.

Tourism remains a major economic driver for the state; therefore, the administration continues to invest in culture, arts, and the creative industries. The Hawai'i Tourism Authority is investing in the islands and culture as the key to a vibrant visitor industry. State agencies will continue working together to strengthen relationships with China, Korea, Japan and Australia, and have also garnered increasing support for the local film, television, digital media, music and fashion industries, while supporting culture and arts as part of Hawai'i's attraction as a world-class destination.

Provide the strategic direction for the state workforce system and guide investments in workforce preparation, skill development, education and training, and major initiatives supporting the governor's vision.

Overall, the Governor's New Day Plan strategic direction for the state workforce system and partners will guide investments in workforce preparation, skill development, education and training, and major initiatives supporting Hawai'i's energy, agriculture, healthcare, tourism, and creative industries. Public and private workforce funds will focus on these industries to help boost the state's economy and meet the needs of Hawai'i's people, especially vulnerable populations like prisoners, the homeless, individuals with disabilities, and the working poor and unemployed.

INVESTING IN PEOPLE

Education and Workforce Development are key to building Hawai'i's workforce for today and tomorrow. So far, the Board of Education and Department of Education, in alignment with the Governor's education coordinator Tammi Chun, are moving forward in improving

public education for Hawai'i's children and achieving the ambitious Race to the Top goals. UH is committed to more students earning certificates and degrees to improve their economic opportunities. UH has already doubled the number of native Hawai'i an students in community colleges, increased community college graduation rates by 35 percent, and more than tripled financial aid to native Hawai'i an students. Future plans include: raising graduation standards so students in the class of 2018 and later will have tougher requirements to earn their high school diploma, cultivating effective teaching through mentoring programs, reduced administrative burdens and an effective teacher evaluation system, continuing to increase access for underrepresented students to the UH system that includes providing financial aid and support on campus, and using advisory groups that include business leaders, labor representatives and educators to align training and funding to meet current and future employer needs in various economic sectors.

Healthcare Transformation is considered the state's most complex challenge. Improving healthcare will create a number of new healthcare jobs in addition to current jobs in this high demand industry. The leader of Hawai'i's community health centers, Beth Giesting, stepped forward to become the first Governor's Healthcare Transformation Coordinator with the directive to improve the healthcare system of Hawai'i. Along with Senior Healthcare Advisor Dr. Thomas Tsang, who helped develop the innovations featured in the federal healthcare reform act, the two are working on an unprecedented movement designed to increase healthcare quality and access while holding the line on expenditures. The WDC Executive Director represents the workforce system on the Healthcare Transformation Council. A firm partnership between the healthcare industry and the state workforce system is necessary to provide the skilled workforce to move this transformation forward.

Furthermore, a lack of investment in prevention services over the years has left more people with more severe needs at a time when public resources are most depleted. Rebuilding the state's safety net and revitalizing services for vulnerable populations, like the homeless and prisoners, is beginning to reverse that trend. The state's workforce system has begun addressing needs of these vulnerable populations and serves on Collective Impact committees for the homeless, at-risk and foster youth, and the working poor and unemployed.

TRANSFORMING GOVERNMENT

Transforming government begins with streamlining the state's information technology. For the first time the state has a full-time Chief Information Officer, Sanjeev "Sonny" Bhagowalia, who is leading the modernization of the state's IT infrastructure and systems. In the near future, the state will be developing a statewide strategic plan that capitalizes on Hawai'i's ability to reduce redundant systems and purchases throughout the state's 18 departments. Additionally, the state aims to reduce costs, foster innovation, provide convenient services to taxpayers, make government more accessible and transparent, and ensure security with minimal disruption to users, and more closely align information technology with the business needs of the state while enhancing systems to provide the required levels of security to safeguard data with minimal disruption to users. The state's workforce system has already shared ideas with the CIO and seeks funding to create a universal Management Information System (MIS) for multiple state agencies to improve service quality to human service participants dual enrolled in the workforce system and reduce redundant MIS purchases of state agencies while creating a Statewide Longitudinal Data System (SLDS) that will provide the

government with more detailed data for more informed decision making and efficient use of funds.

A focus on improving customer service has also begun transforming the government. DLIR launched a new effort to provide residents of Hawai'i's most rural areas with direct access to government and community resources, making it easier for those who live in remote communities to receive the services they expect. Many upcoming customer service next steps will affect the workforce system by encouraging the development of new businesses and the licensing of high skilled workers. Some of these include developing innovative methods to centralize and consolidate professional licensing functions statewide, improving public access to information about businesses, facilitating the formation of new businesses, and eliminating confusion on business licensing in Hawai'i.

Specifically address the governor's vision for aligning efforts among workforce development partners to achieve accessible, seamless, integrated, and comprehensive service, and how programs and activities described in the plan will support the state's economic development needs and the employment and training needs of all working-age youth and adults in the state.

By aligning efforts among workforce development partners through mutual participation in cluster activities, like targeted Industry Skill Panels, the state's workforce system is able to identify and plan ways to address workforce skill gaps and support the state's economic development needs and the employment and training needs of all working-age youth and adults in the state. As workforce development partners collaborate by participating in these cluster activities, improving customer service, and streamlining information technology, services will become integrated to achieve seamless, comprehensive, and accessible services to working-age youth and adults in the state.

Describe the methods used for joint planning and coordination of the programs and activities included in the plan.

A statewide effort for joint planning and coordination of statewide programs and activities, including mandated workforce partners, has resulted in a Statewide Strategic Planning document which operationalizes the New Day Plan into an actionable, measurable 5-year plan. While encouraging agencies to have stronger partnerships, this effort also helps state agencies publicize and manage their key activities, and includes a website that serves as a dashboard-type, self service, content management system mirroring a simpler version of Maryland's acclaimed "StateStat" website (<http://www.statestat.maryland.gov>). This site contains goals and milestones identified in the plan, as well as measures. Each agency has a separate web page on the site, which they maintain while the entire site is supported by the Office of Information Management and Technology (OIMT).

Additionally, the State Workforce Development Council (WDC), which is also the State Workforce Investment Board, acts as the aligning entity between state and county agencies, as well as private industry and non-profit sectors.

The WDC is comprised of thirty-one (31) members, in which the majority are private sector employers. In addition to these members, the WDC membership includes two representatives from labor, as well as all Local Workforce Investment Board chairs. Additionally, membership includes the following:

1. Governor, State of Hawaii
2. Director, Department of Labor and Industrial Relations (WIA and Wagner Peyser Administrative Agency and Workforce Information);
3. Director, Department of Business, Economic Development, and Tourism;
4. Department of Human Services (TANF and Vocational Rehabilitation training);
5. Superintendent, State Department of Education; and
6. President, University of Hawaii System.
7. Labor Chair, Hawaii State Senate
8. Education Chair, Hawaii State Senate
9. Labor Chair, Hawaii State House of Representatives
10. Health Chair, Hawaii State House of Representatives
11. Mayor, Maui County
12. Mayor, Hawaii County

The WDC serves as the catalyst to bring together workforce development stakeholders to create a more coordinated, focused and cost-effective workforce system by eliminating duplication and aligning efforts.

THE STATE OF HAWAII'S ECONOMIC AND WORKFORCE INFORMATION ANALYSIS

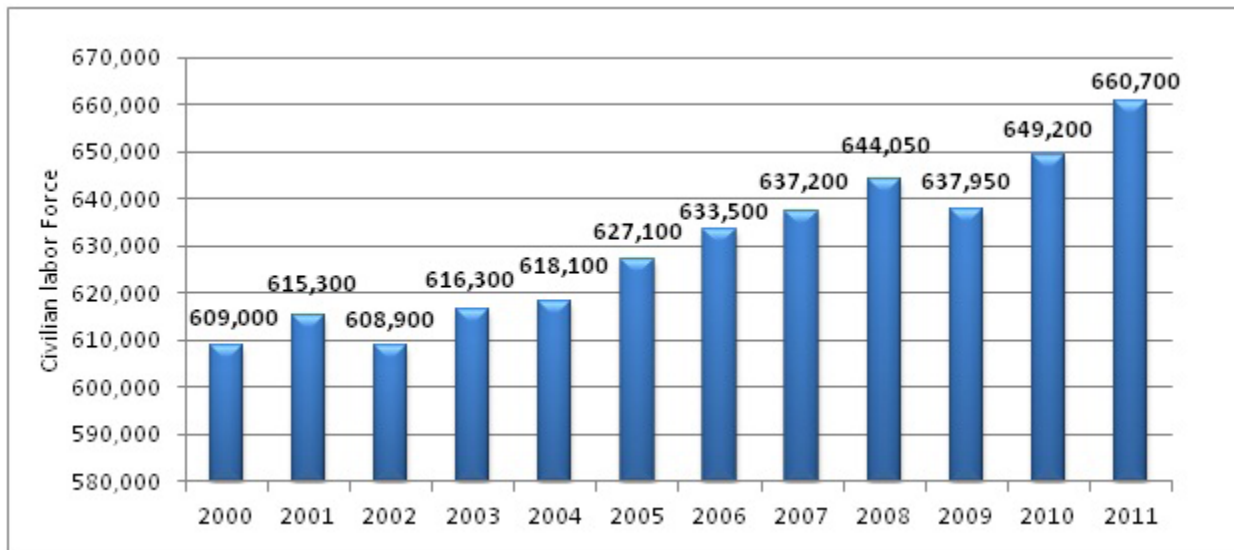
An assessment of the current situation and projected trends of the state's economy, industries and occupations, including major economic regions and industrial and occupational sectors

Civilian Labor Force Expands

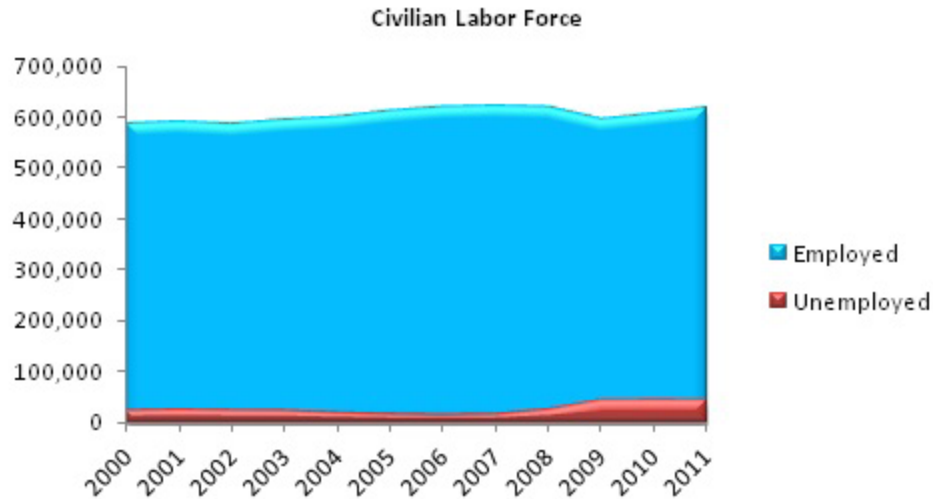
In 2011, Hawaii's civilian labor force averaged 660,700, an expansion of 1.8 percent over 2010. This was the third highest percentage change among the 50 states. Most of the change occurred due to an increase in employed persons combined with a drop in the total number of unemployed.

After reaching a high of 644,050 in 2008, like the rest of the nation during the recession, Hawaii's labor force plunged in 2009 to 637,950, and has gradually climbed back up to 660,700 in 2011.

HAWAII'S CIVILIAN LABOR FORCE, 2000 – 2011



Source: Hawaii Department of Labor and Industrial Relations, Research and Statistics Office.



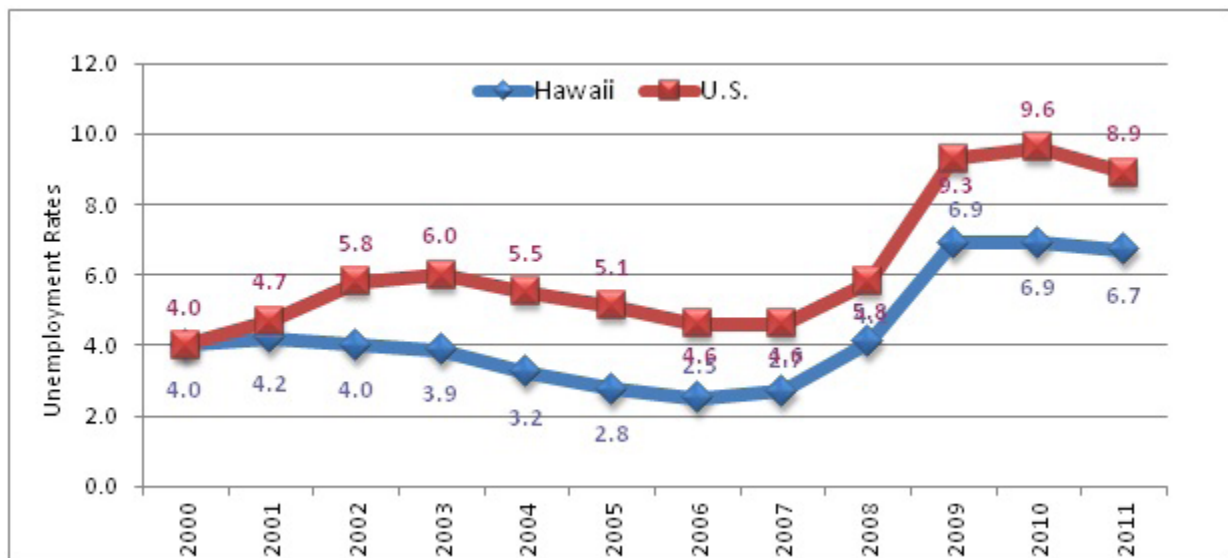
Source: Hawaii Department of Labor and Industrial Relations, Research and Statistics Office.

Slight Improvement in Unemployment Rate

Since the year 2000, Hawaii's unemployment rate has remained consistently lower than the national rate. In 2011, the unemployment rate fell from 6.9 percent in 2010 to 6.7 percent. However, this decline of 0.2 percentage point ranked 44th slowest in the nation. As a result, from 2010 to 2011, Hawaii's ranking among all the states dropped a few places from 10th to 13th in terms of the lowest unemployment ratio.

As of May 11, 2012, the University of Hawaii Economic Research Organization (UHORO) projected the state's unemployment rate to be at 6.1 percent in 2012, 5.4 percent in 2013, and 4.9 percent in 2014.

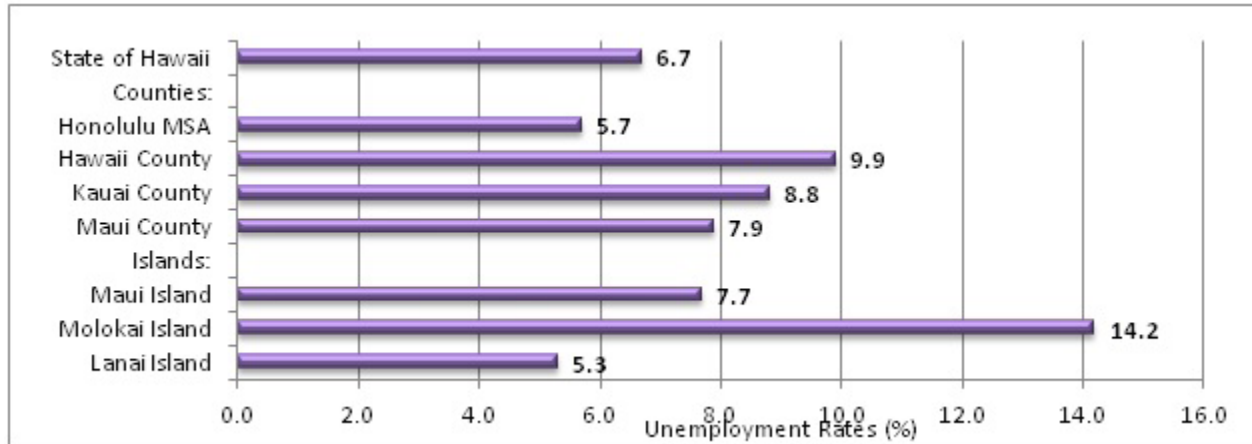
HAWAII'S UNEMPLOYMENT RATE
STILL LOWER THAN U.S. (NOT SEASONALLY ADJUSTED)



Source: Hawaii Department of Labor and Industrial Relations, Research and Statistics Office.

Among the counties, Honolulu MSA had the lowest jobless rate of 5.7 percent in 2011, followed by Maui County at 7.9 percent, Kauai County at 8.8 percent, and Hawaii County at 9.9 percent. While Maui County had the second lowest unemployment statewide, Molokai suffered the highest unemployment rate of all islands at 14.2 percent. The state's labor force participation ratio was 62 percent as of April 2012.

UNEMPLOYMENT RATE FOR COUNTIES IN HAWAII (NOT SEASONALLY ADJUSTED), 2011

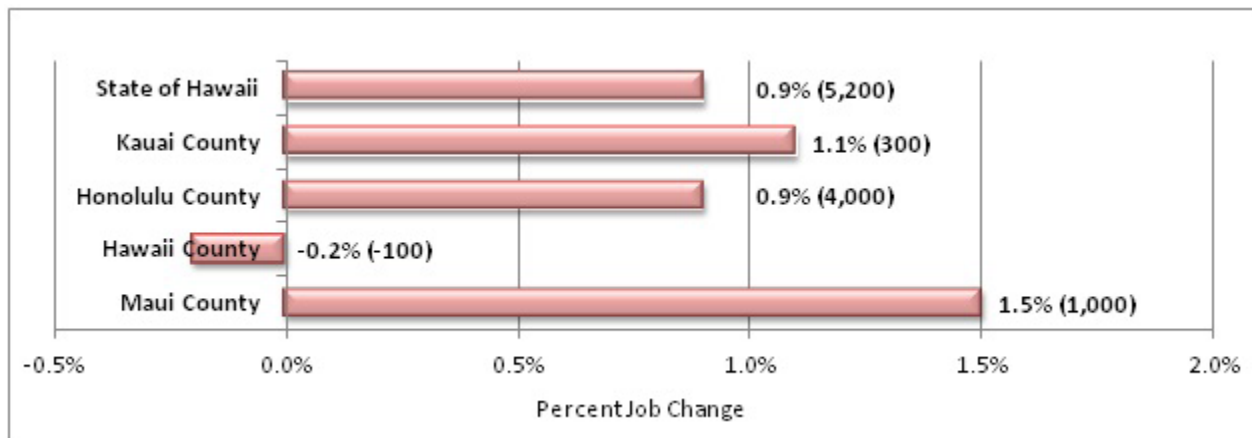


Source: Hawaii Department of Labor and Industrial Relations, Research and Statistics Office.

Job Growth Fastest in Maui County

In 2011, the state's non-farm job market recorded 592,100 jobs, an increase of 5,200 or 0.9 percent over the previous year. Maui County registered the fastest growth at 1.5 percent, Kauai County was next at 1.1 percent, Honolulu County's rate was 0.9 percent, and Hawaii County's rate posted a loss with -0.2 percent.

PERCENT JOB CHANGE FOR COUNTIES IN HAWAII (NOT SEASONALLY ADJUSTED), 2010-2011

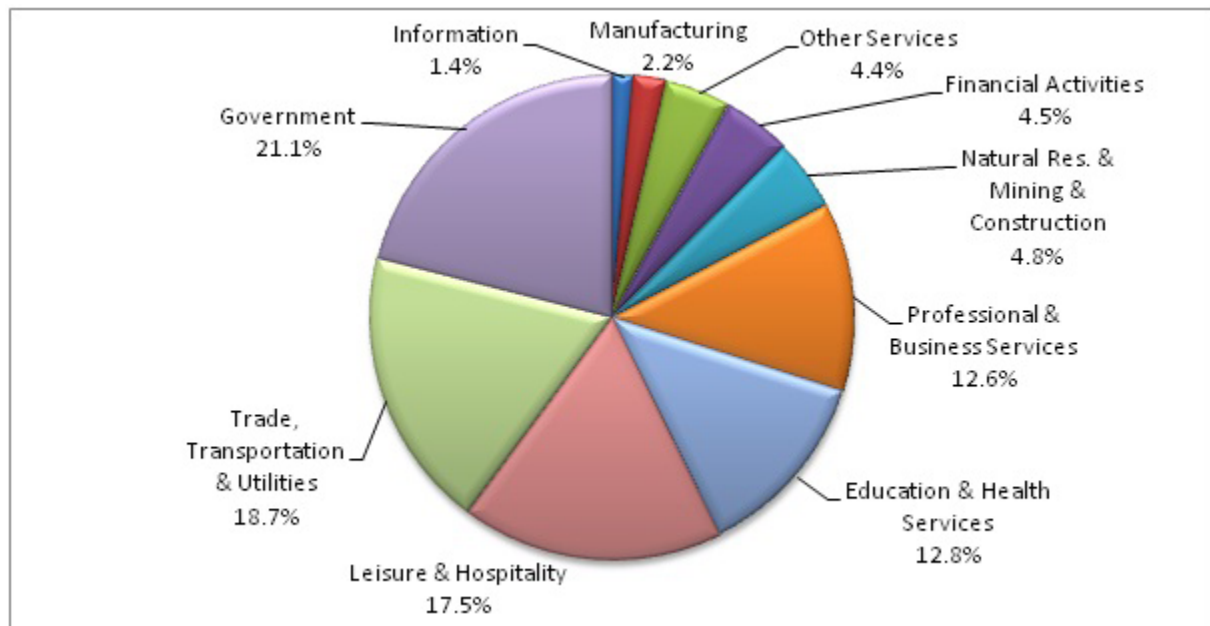


Source: Hawaii Department of Labor and Industrial Relations, Research and Statistics Office.

Over One-Fifth Employed in Government

There are 10 major industries in the state, the largest of which is Government. The public sector consists of 124,700 jobs and accounts for about 21 percent of the total jobs count. Within the government sector, the largest branch is state government, with two-thirds of its jobs in Education. The federal government branch is the second largest and local government is the smallest.

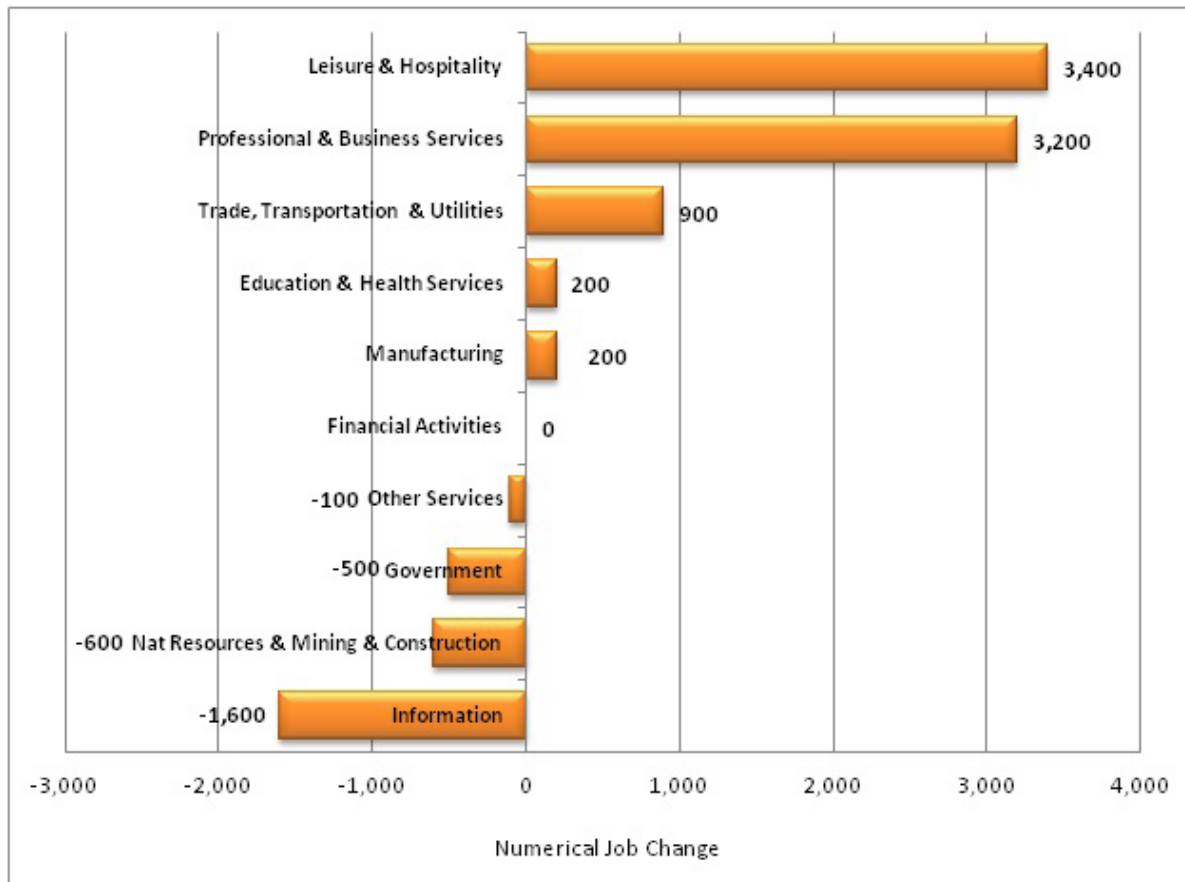
THREE LARGEST INDUSTRIES COMPRISE MORE THAN HALF OF HAWAII'S JOBS IN 2011



Source: Hawaii Department of Labor and Industrial Relations, Research and Statistics Office.

The second largest industry group is a combination of Trade, Transportation, and Utilities (TTU), amounting to 111,000 jobs or 19 percent of the job total. Three out of five TTU jobs are in retail trade. This sector managed to add 900 jobs between 2010 and 2011.

Not far behind is the Leisure and Hospitality industry with 103,700 jobs or almost 18 percent of the total job tally. A huge portion of this industry is Accommodation and Food Services, which is the hotel and restaurant business. Registering the biggest increase in jobs of 3,400 between 2010 and 2011, tourism continues to remain strong throughout the islands and is a vital part of our state's economy.



Source: Hawaii Department of Labor and Industrial Relations, Research and Statistics Office.

Education and Health Services sector jobs at 75,500 account for almost 13 percent of the statewide job total. The bulk of them are in Health Care and Social Assistance agencies. Almost neck and neck with this sector was Professional and Business Services with 74,800 for another 13 percent of all jobs. Most of the positions are found in the Administrative, Support, and Waste Management fields and secondarily, in the Professional, Scientific, and Technical arenas. Although fifth in size, the professional sector increased their positions by 3,200, the second largest gains between 2010 and 2011.

The next three industry sectors are of similar size: the Natural Resources and Construction group generated 74,800 jobs or about 5 percent of all state jobs as well as the Financial Activities group which contributed 26,900 for another 5 percent share. Close behind was the Other Services sector that reported 25,800 or over 4 percent of the state job count. All of these sectors struggled to hold onto jobs during the 2010 and 2011 period with Construction group losing 600 jobs, Other Services releasing 100, and Financial Activities remaining stagnant.

The last two industries of Manufacturing and Information were much smaller with 13,200 and 8,200 positions, only garnering two and one percent, respectively of the total state job base. Manufacturing managed to grow by 200 between 2010 and 2011, while Information was down by 1,600.

More Advertised Jobs Posted Online

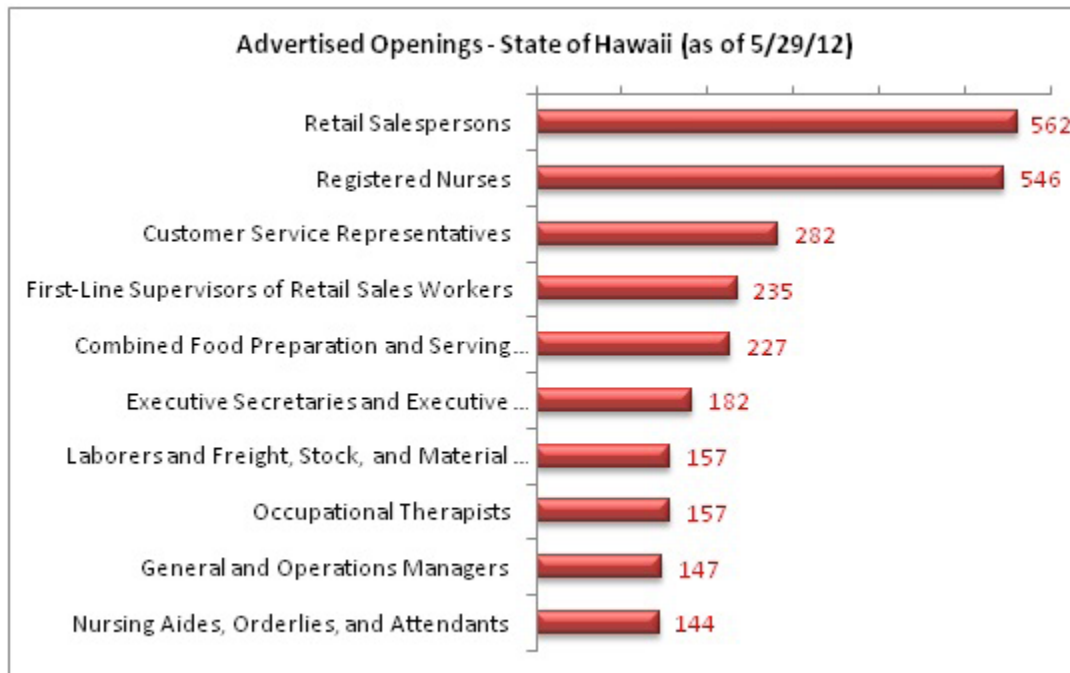
Another indication that Hawaii's economy is starting to improve is the elevated demand for more workers by employers. According to the data on advertised jobs from 2008-2011, all counties experienced a considerable drop in job postings from 2008 to 2009. The openings rebounded slightly for all areas except Hawaii County in 2010. In 2011, employers in all counties posted more help wanted listings, with Maui County, in particular, benefitting with an increase of 45 percent. Hawaii County went up by 30 percent, followed by Kauai County with a gain of nearly 30 percent, while job advertisements in Honolulu County rose by 21 percent.

ADVERTISED JOBS ONLINE, ANNUAL 2008-2011

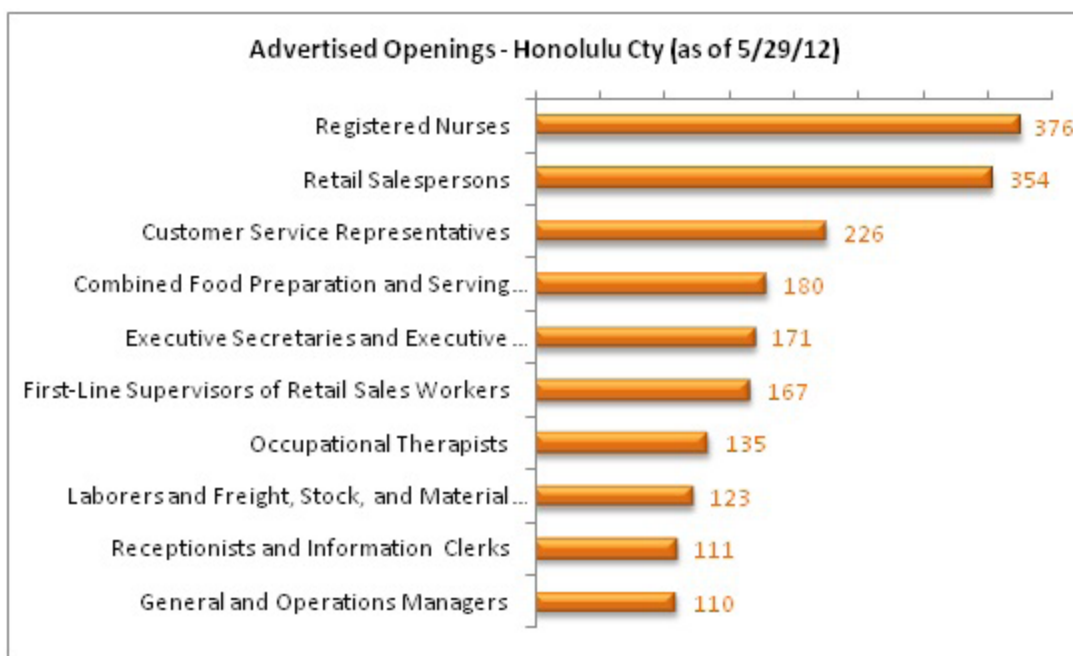
	2008	2009	2010	2011
Statewide	138,830	101,238	105,463	131,657
Hawaii County	9,547	8,646	8,437	10,992
Honolulu County	109,636	78,124	81,841	99,391
Kauai County	8,116	5,027	5,153	6,693
Maui County	11,531	9,441	10,032	14,579

Source: HIWI, Historic Data - Advertised Jobs

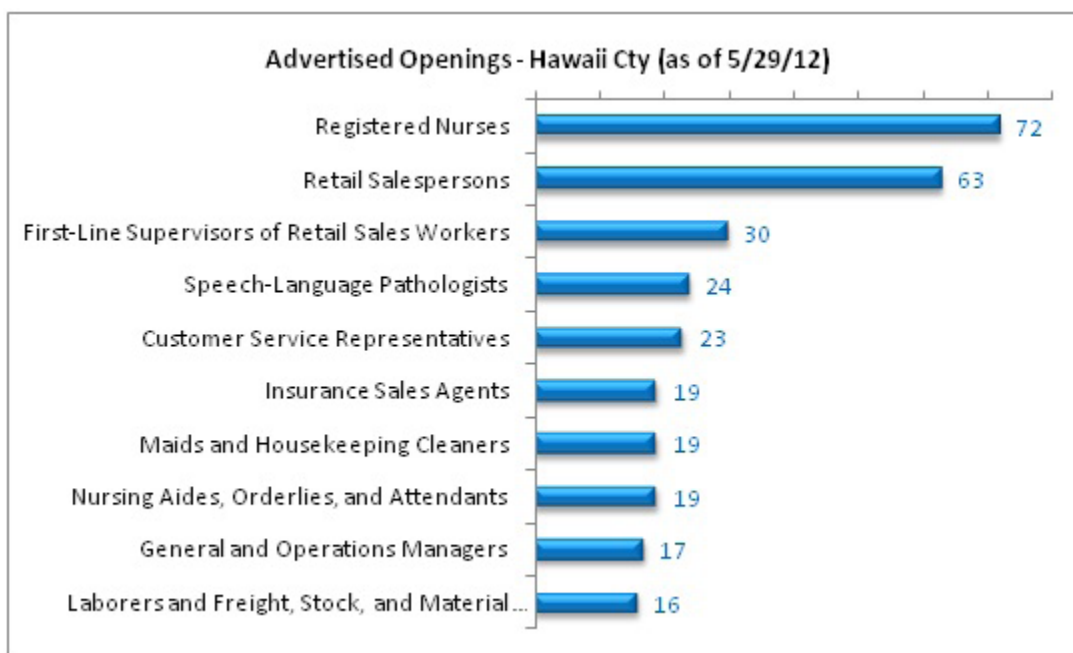
As of May 29, 2012, the top advertised jobs within each county offered a mixture of opportunities for jobseekers. The following graphs display the 10 occupations with the most openings in the State as well as each county.



Source: HIWI Area Profile, Online Advertised Jobs



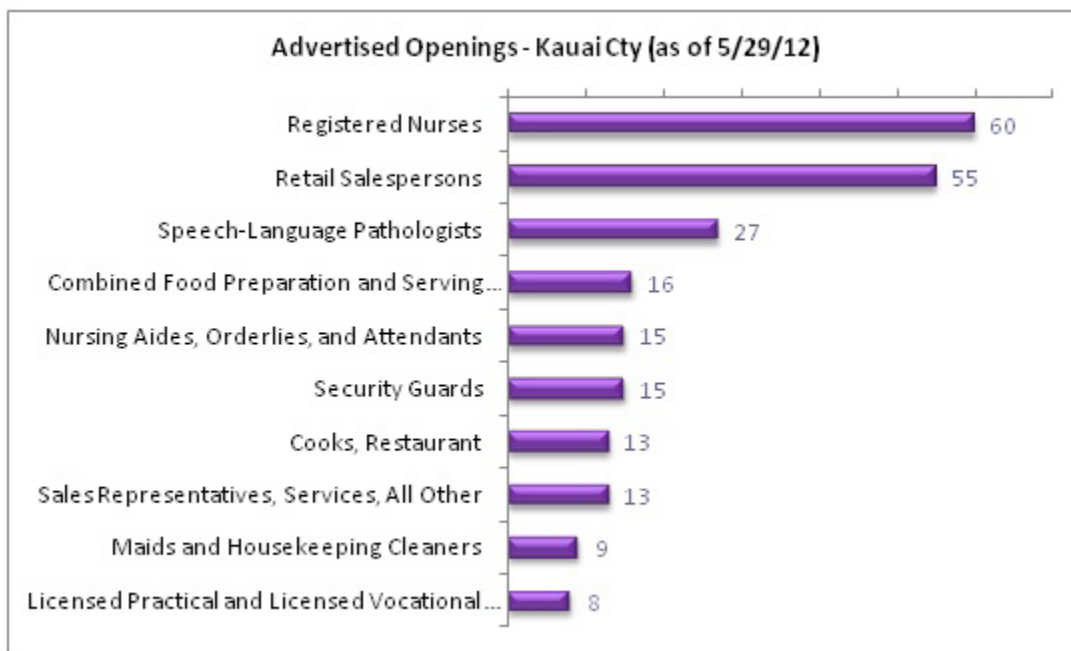
Source: HIWI Area Profile, Online Advertised Jobs



Source: HIWI Area Profile, Online Advertised Jobs



Source: HIWI Area Profile, Online Advertised Jobs



Source: HIWI Area Profile, Online Advertised Jobs

Two occupations common to all counties that advertised openings included: retail salespersons and registered nurses. Four other occupations in demand in three of the four counties were: customer service representatives, first-line retail sales supervisors, combined food preparation and serving workers, and general and operations managers. While some of the jobs in each county can be obtained with only a high school diploma, like laborers, others require some postsecondary training or education such as nurses.

Ratio of Unemployed to Job Openings

The ratio of unemployed (seasonally adjusted) to the number of advertised online jobs openings in Hawaii during the month of April 2012 stood at 1.62, where there were 39,250 jobless and 24,219 job openings. At the time, Hawaii County had the highest ratio of 3.32 percent, Kauai was next with 2.05 percent, Maui County at 1.71 percent, and Oahu at 1.36 percent.

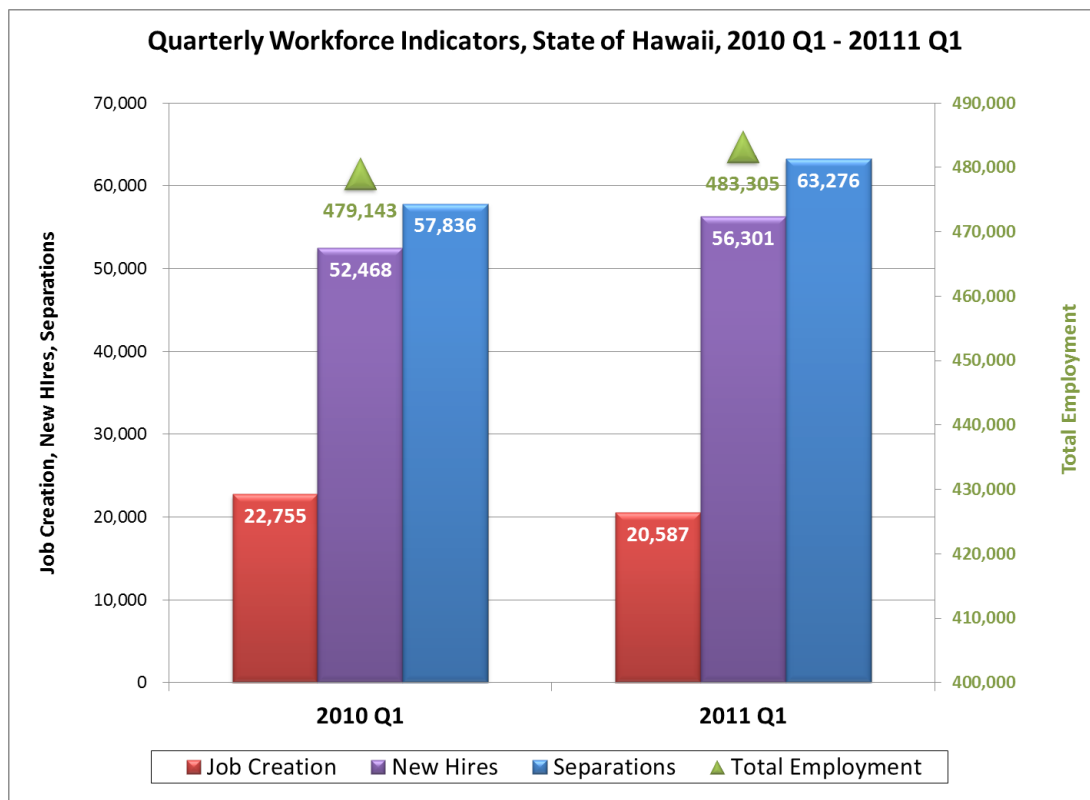
RATIO OF UNEMPLOYED (NOT SEASONALLY ADJUSTED) TO JOB OPENINGS

	APR 2008	APR 2009	APR 2010	APR 2011	APR 2012
Statewide	0.77	2.04	2.27	1.67	1.62
Hawaii County	1.90	4.06	5.72	4.28	3.32
Honolulu County	0.63	1.57	1.70	1.27	1.36
Kauai County	0.69	2.64	3.06	2.40	2.05
Maui County	1.08	3.13	3.83	2.25	1.71

Source: HIWI, Supply and Demand

Local Employment Dynamics (LED)

Reviewing data produced by the U.S. Census Bureau's Local Employment Dynamic (LED) program through Quarterly Workforce Indicators (QWI), gives an overview of the State's workforce. The latest data available is for the first quarter of 2011 and comparisons against the same quarter a year ago reveal some of the changes happening within our workforce. For the scope of this plan, only the larger industries were analyzed. Public administration was not included because the QWI data currently does not include state and federal government data in Hawaii. In the first quarter of 2011, total employment in Hawaii averaged 483,305, an increase of 4,162 or 0.9 percent from the first quarter of 2010. Job creation averaged 20,587 in the first quarter 2011, down from 22,755 the same quarter the year before. Meanwhile, new hires increased from 52,468 to 56,301 as separations jumped from 57,836 to 63,276.



Construction industry employment suffered the greatest setback as it lost 1,030 employees from the first quarter of 2010 to the first quarter of 2011, a drop of 3.5 percent. However, there was positive movement for the accommodation and food services sector and administrative, support, waste management, and remediation services sector which expanded employment by 2,982 and 2,257 workers, respectively, or 3.4 and 5.5 percent. Smaller gains were experienced by the other services and transportation and warehousing sector, as well as the retail industry.

As the state struggled in the midst of the 'great recession', job creation suffered a setback of -9.5 percent over the past year to average 20,587. This indicator is defined as the number of jobs created by new companies or expansion of existing companies. So despite the overall growth in total employment, there were fewer new jobs being created in the first quarter of 2011. The leading job creator, accommodation and food services produced 4,220 new jobs in the first quarter of 2011, which was down 569 from the first quarter of the previous year. Manufacturing eked out the most improvement over the year, averaging 272 more new jobs than the prior year, for a 75.3 percent jump. Retail also fared modestly, creating 226 new jobs—a 12.7 percent increase over jobs created the same time a year ago.

On a positive note, the number of new hires rose significantly by 3,833, or 7.3 percent, to average 56,301. The healthcare and social assistance sector led with 1,628 more new hires in the first quarter of 2011, as compared to the same quarter the year before, representing an improvement of 37.8 percent. The administrative and support and waste management and remediation services sector also had a substantial increase in hiring with 1,293 more new hires than the previous year, or 16.4 percent more. While the accommodation and food services sector, being the largest industry sector in terms of total employment, had the most new hires, it did not fare as well in hiring growth over the past year with an increase of 437, or 3.7 percent, for an average of 12,220.

During this time frame, the number of separations escalated by 9.4 percent to average 63,276. This indicator counts the number of workers who left their job for various reasons. Most of the separations occurred in the accommodation and food services sector (11,975) and the administrative, support, waste management, and remediation services industry (9,143). The latter sector also increased its separation rate to 18.8 percent, second only to the health and social assistance separation rate of 32.2 percent.

QUARTERLY WORKFORCE INDICATORS BY INDUSTRY, STATE OF HAWAII
COMPARING 2011 Q1 TO 2010 Q1

Industry	Net Job Flows			Job Creation			New Hires			Separations		
	2011 Q1	# CHG	% CHG	2011 Q1	# CHG	% CHG	2011 Q1	# CHG	% CHG	2011 Q1	# CHG	% CHG
Total, All Industries	2729	-2,800	---	20,587	-2,168	-9.5%	56,301	3,833	7.3%	63,276	5,440	9.4%
Construction	-203	-483	---	1,874	-270	-12.6%	3,427	-60	-1.7%	4,383	62	1.4%
Manufacturing	160	349	---	633	272	75.3%	1,211	309	34.3%	1,221	-55	-4.3%
Wholesale Trade	45	-160	---	552	-174	-24.0%	1,248	-85	-6.4%	1,363	-42	-3.0%
Retail Trade	-1547	362	---	1,999	226	12.7%	6,623	875	15.2%	8,877	428	5.1%
Transportation & Warehouse	117	8	---	640	-151	-19.1%	2,030	337	19.9%	2,259	137	6.5%
Information	-825	-1,099	---	382	-347	-47.6%	3,002	-1,036	-25.7%	4,534	102	2.3%
Finance & Ins.	23	-115	---	421	-123	-22.6%	821	-256	-23.8%	992	-56	-5.3%
Real Estate, Rental, Leasing	126	-25	---	530	9	1.7%	1,055	13	1.2%	1,093	27	2.5%
Prof., Sci., Tech.	874	128	---	1,820	100	5.8%	2,812	352	14.3%	2,751	351	14.6%
Admin., Support, Waste Mgmt., Remed. Svcs.	986	-179	---	2,604	-105	-3.9%	9,165	1,293	16.4%	9,143	1,444	18.8%
Educational Svcs.	224	-211	---	592	-180	-23.3%	1,487	-90	-5.7%	2,062	291	16.4%
Health Care & Social Asst.	869	-406	---	2,161	-509	-19.1%	5,935	1,628	37.8%	6,374	1,553	32.2%
Arts, Enter., Rec.	59	-27	---	491	54	12.4%	1,343	170	14.5%	1,666	209	14.3%
Accommodation & Food Svcs.	1776	-539	---	4,220	-569	-11.9%	12,220	437	3.7%	11,975	941	8.5%
Other Services	228	-437	---	1,143	-381	-25.0%	2,478	-194	-7.3%	2,623	-12	-0.5%

Note: Data extracted on 5/30/12 from LED website: <http://lehd.did.census.gov/led/datatools/qwiapp.html>

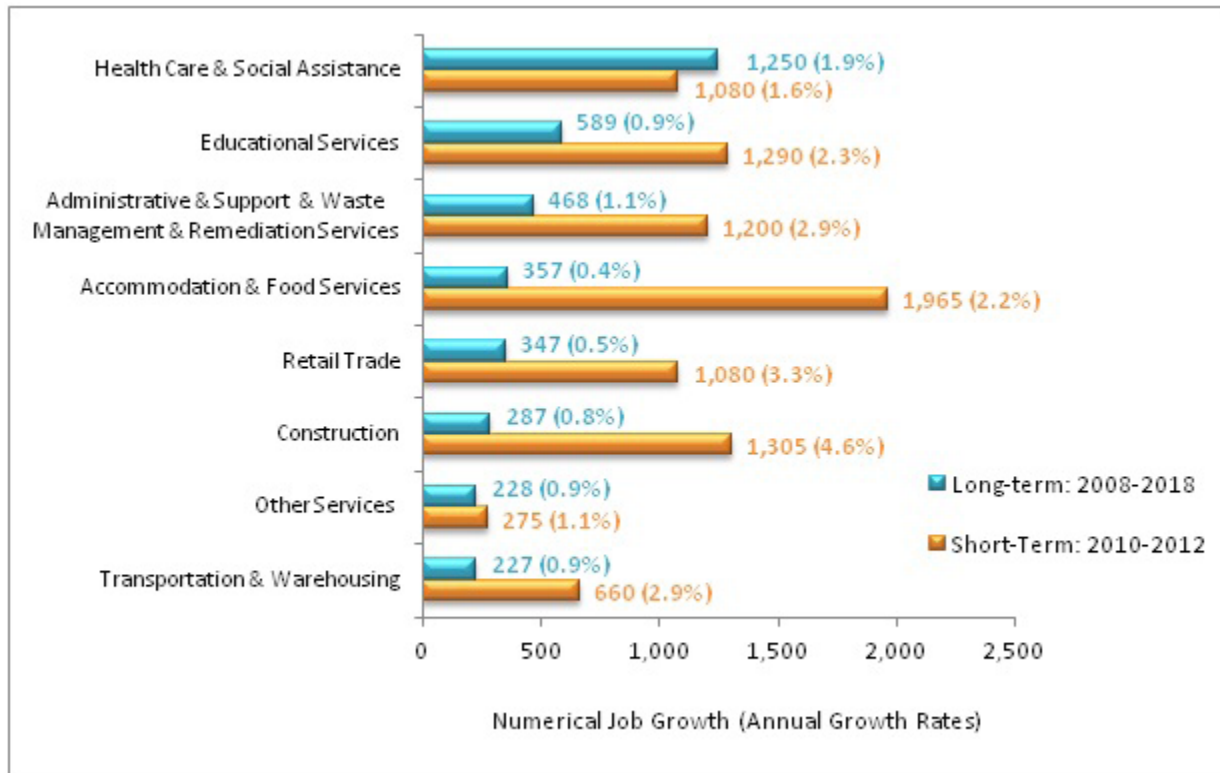
Short-term and Long-term Job Growth Positive

Both short-term and long-term projections for Hawaii predict positive growth. The short-term outlook from 2010 to 2012 points to a recovering economy and forecasts an increase of 22,840 jobs, or 1.8 annually. Growth over the long term will be slower and is projected to expand by 0.7 percent annually from 2008 to 2018.

Job gains among the industries will vary slightly depending on the timeframe of the projections. More than half of the short-term job gain is projected to occur in three sectors: education and health services (4,740); trade, transportation and utilities (4,110); and leisure and hospitality (4,010). Within these sectors educational services will provide the biggest gains, followed by food services and drinking places and accommodation. Three industries will account for about two-thirds of the increase in the long-term forecasts: education and health services (18,390); trade, transportation, and utilities (7,420); and professional and busi-

ness services (6,080). Within these major sectors, the following subsectors will add at least 340 jobs per year: healthcare and social assistance; educational services; administrative and support and waste management and remediation services; accommodation and food services; and retail trade. During this same period, manufacturing, natural resources and mining, and the information industries will incur a small decline in jobs.

**HAWAII'S TOP GROWTH INDUSTRIES:
PROJECTED ANNUAL JOB GROWTH FOR SHORT- AND LONG-TERM**

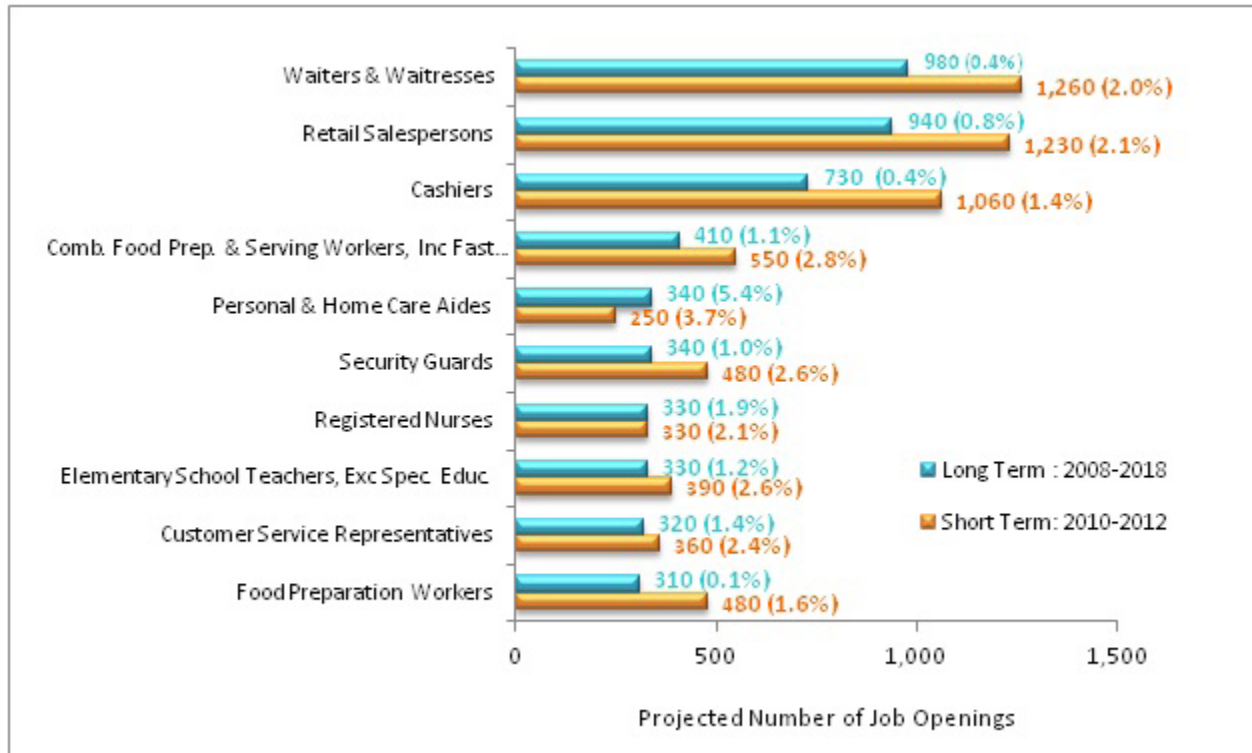


Source: Hawaii Department of Labor and Industrial Relations, Research and Statistics Office.

The overall job outlook for the state appears more positive in the short-term compared to the long-term. Continued improvement in tourist arrivals should provide a much needed stimulus to the local economy. If the rail project ever comes to fruition, it will not only provide a lot of construction jobs, but generate other developments surrounding rail stations.

Many of the job openings for the short- and long-term will occur in entry level, transitional jobs. Eight of the ten occupations with the most projected job openings require short- or moderate term on-the-job training. Waiters and waitresses, retail salespersons, and cashiers are expected to be in highest demand. Two of the ten occupations with the most projected job openings require higher education and training. They include registered nurses and elementary school teachers. Among jobs that pay median annual wages of more than \$48,000, four of the occupations: carpenters, construction laborers, electricians, and police and sheriff's patrol officers do not require postsecondary training.

TEN HAWAII OCCUPATIONS PROJECTED TO HAVE THE MOST ANNUAL JOB OPENINGS



Source: Hawaii Department of Labor and Industrial Relations, Research and Statistics Office.

An assessment of the workforce skills and knowledge individuals need to find current and future employment in the state, particularly those skills and knowledge identified by employers as necessary for economic growth in the state

Wide Range of Skills and Education Needed

The two largest, major occupational groups of Service occupations and Professional and related occupations have, by far, the largest employment and will exhibit the most gains. From 2008 to 2018, job growth in these two groups will significantly outpace all other groups, representing over 60 percent of the total job advances. Occupations in these two groups encompass a wide range of jobs (waiters/waitresses, food workers, teachers, and registered nurses) with varying skills and education and training requirements, and employ approximately 44 percent of the workforce. See Table x. The Service and Professional groups will also produce about half of all job openings each year.

In terms of percentage growth, the Professional and related occupational group is projected to expand faster than the statewide average for all occupations, increasing by 10.4 percent. Growth in Business and Financial operations occupations ranks second, followed by Service occupations, at 10.1 percent and 8.8 percent, respectively – well above the state's average growth rate of 6.9 percent.

OCCUPATIONAL EMPLOYMENT AND GROWTH, STATE OF HAWAII, 2008-2018

Occupation	Employment		Growth		Average Annual Openings		
	2008	2018	Net	Percent	Due to Growth	Due to Replace-ments	Total
Total, All Occupations	685,920	733,180	47,260	6.9%	5,230	16,030	21,260
Management	44,680	46,220	1,540	3.4%	190	930	1,130
Business & Financial Operations	28,850	31,750	2,900	10.1%	300	560	860
Professional & Related	132,020	145,740	13,720	10.4%	1,420	2,920	4,340
Service	174,850	190,250	15,400	8.8%	1,550	4,750	6,300
Sales & Related	72,510	76,490	3,980	5.5%	420	2,100	2,520
Office & Administrative Support	103,870	107,000	3,130	3.0%	570	2,130	2,700
Farming, Fishing, & Forestry	5,080	5,090	10	0.2%	10	140	140
Construction & Extraction	44,080	46,970	2,890	6.6%	310	740	1,040
Installation, Maintenance, & Repair	22,950	24,430	1,480	6.4%	160	450	610
Production	17,620	18,120	500	2.8%	90	350	440
Transportation & Material Moving	39,410	41,140	1,730	4.4%	220	980	1,210

Totals may not add due to rounding to the nearest ten.

Source: Hawaii State Department of Labor and Industrial Relations, Research and Statistics Office, July 2011.

To identify the kinds of skills and knowledge that individuals need to find current and future employment and that employers' desire in their employees, a review of the largest annual openings by occupation is in order. Of the top ten occupations with the most annual openings, seven required only basic skills and they needed less than a month of training. Most of the occupations with the biggest openings involved serving and preparing foods either as waiters and waitresses, fast food workers, or food preparation workers. Retail sales jobs and cashiers were also plentiful. The skills for these types of jobs required predominantly active listening, speaking, service orientation, and social perceptiveness. As for knowledge, customer and personal service was critical, English played a strong role, and some sales and marketing. For the occupations dealing with food, food production was important.

Teachers, both elementary and secondary were among the high demand occupations in the state that required high skills, meaning a bachelor's degree or higher, and so not surprisingly, instructing, speaking, and learning strategies were deemed necessary skills. Along with these skills, English, education and training, and knowledge of specific teaching areas were suitable attributes.

Occupations needing moderate skills, such as more than a month, but less than a bachelor's degree, were registered nurses and customer service representatives. These positions and others at this skill level demanded principally active listening. Reading comprehension also was prevalent along with critical thinking and speaking. As for knowledge, customer and personal service and English were cited in numerous jobs.

SKILL REQUIREMENTS OF JOBS WITH THE MOST JOB OPENINGS FROM 2008-2018

Occupation	Skills	Abilities	Knowledge	Training & Education Requirements	Annual Openings
Waiters & Waitresses	Speaking, Active Listening, Service Orientation, Social Perceptiveness	Oral Comprehension & Expression, Speech Clarity & Recognition, Trunk Strength	Customer & Personal Service, Sales & Marketing, English, Food Production	Short-term on-the-job training	980
Retail Salespersons	Active Listening, Mathematics, Speaking, Social Perceptiveness, Critical Thinking	Oral Comprehension & Expression, Trunk Strength, Speech Recognition & Clarity, Problem Sensitivity	Customer & Personal Service, Sales & Marketing, Administration & Management	Short-term on-the-job training	940
Cashiers	Active Listening, Mathematics, Speaking, Instructing, Social Perceptiveness	Oral Expression & Comprehension, Number Facility, Speech Recognition & Clarity, Near Vision	Customer & Personal Service, Mathematics, English, Education & Training	Short-term on-the-job training	730
Fast Food Preparers & Servers	Active Listening, Speaking, Instructing, Mathematics, Social Perceptiveness	Oral Expression & Comprehension, Speech Clarity, Problem Sensitivity, Trunk Strength, Near Vision	Customer & Personal Service, Food Production, Sales & Marketing, Mathematics	Short-term on-the-job training	410
Security Guards	Active Listening, Reading Comprehension, Social Perceptiveness, Monitoring	Problem Sensitivity, Selective Attention, Inductive Reasoning, Near Vision, Oral Comprehension	Public Safety & Security, Customer & Personal Service, English, Law & Government	Short-term on-the-job training	340
Personal & Home Care Aides	Service Orientation, Active Listening, Social Perceptiveness, Critical Thinking, Speaking	Oral Comprehension, Problem Sensitivity, Information Ordering, Speech Clarity	Customer & Personal Service, Public Safety & Security, English Language, Psychology	Short-term on-the-job training	340
Elementary School Teachers	Instructing, Reading Comprehension, Speaking, Learning Strategies	Oral Comprehension & Expression, Problem Sensitivity, Speech Clarity	English, Education & Training, Mathematics, Psychology, Geography	Bachelor's degree	330
Registered Nurses	Active Listening, Reading Comprehension, Critical Thinking, Instructing, Speaking	Problem Sensitivity, Oral Expression & Comprehension, Inductive & Deductive Reasoning	Medicine & Dentistry, Psychology, Customer & Personal Service, English, Biology	Associate's degree	330
Customer Service Representatives	Active Listening, Reading Comprehension, Monitoring, Speaking	Oral Comprehension & Expression, Deductive Reasoning, Problem Sensitivity	Customer & Personal Service, English, Clerical, Mathematics	Moderate-term on-the-job training	320
Food Preparation Workers	Active Listening, Reading Comprehension, Instructing, Speaking, Learning Strategies	Oral Comprehension, Arm-Hand Steadiness, Manual Dexterity, Speech Recognition	Customer & Personal Service, Food Production, Mathematics, English	Short-term on-the-job training	310

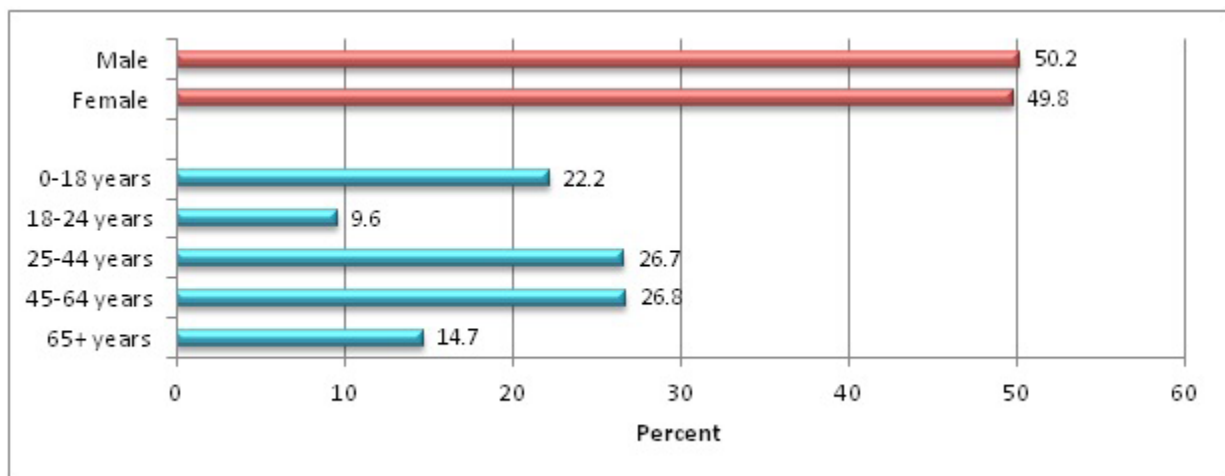
Source: Department of Labor and Industrial Relations, Research and Statistics Office

HAWAII'S POPULATION AND DEMOGRAPHICS

According to population estimates for 2011, with a population count of 1,374,810, Hawaii remains one of the smaller states and ranks 40th in size compared to the other 50 states. This represents a slight improvement from 2010, in which Hawaii was ranked 42nd in size. By 2030, Hawaii's population is projected to reach 1,466,046, an increase of 6.6 percent.

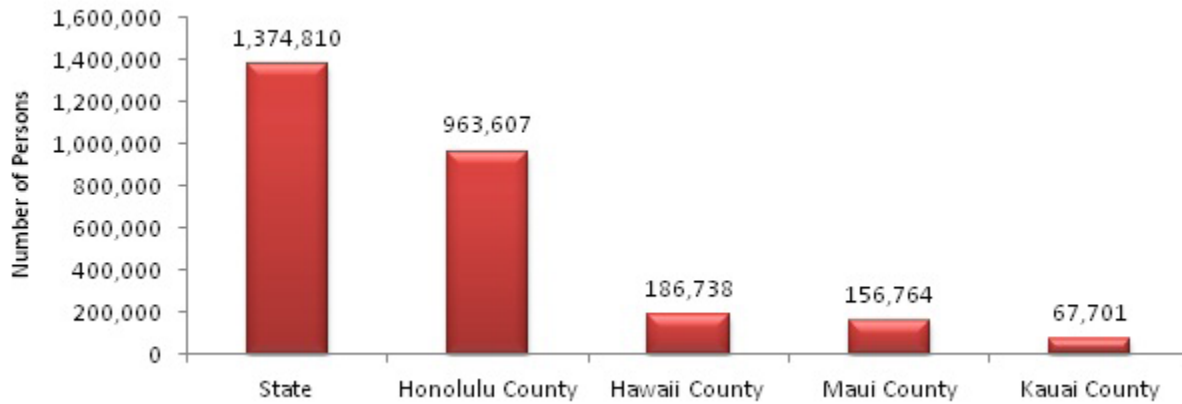
Though third largest in county size, approximately 70 percent of the state's population resides in Honolulu County. With more than double the land area of Honolulu County, Hawaii County accounts for 13.6 percent of the population. Maui County, which experienced the fastest growth from 2010 to 2011, follows with an 11.4 percent share of the population, while Kauai County, the smallest of the counties represents only 4.9 percent of the population.

POPULATION DISTRIBUTION OF HAWAII'S POPULATION, 2011



Source: U.S. Census Bureau, Population Division

2011 RESIDENT POPULATION FOR THE STATE OF HAWAII AND THE COUNTIES



Source: U.S. Census Bureau, Population Division

In 2011, Hawaii's civilian labor force totaled 660,700 with the following characteristics:

Ethnicity

The workforce is multi-ethnic; the two largest groups were Asian (44.2 percent) and White (25.7 percent). Both of these groups posted unemployment rates below the statewide average of 6.7 percent with Asians posting the lowest rate of 4.4 percent while 6.3 percent of Whites were unemployed. Two groups in particular, American Indian/Alaskan Natives which accounted for only 0.2 percent of the civilian labor force and Native Hawaiian/Pacific Islanders with an 8.7 percent share of the civilian labor force had unemployment rates of 15.9 percent and 12.6 percent respectively, well above the statewide average.

Women comprised 48.2 percent of the civilian workforce.

TABLE 1. LABOR FORCE INFORMATION BY SEX AND RACE, STATE OF HAWAII, 2011

Sex and Race	Civilian Labor Force	Percent Distribution			Unemployment Rate
		Civilian Labor Force	Employed	Unemployed	
Both Sexes (incl. Hispanic)	660,700	100.0%	100.0%	100.0%	6.7%
White	169,550	25.7	25.8	24.3	6.3
Black/African American	7,700	1.2	1.1	1.6	9.1
Amer. Indian/Alaskan Native	1,650	0.2	0.2	0.6	15.9
Asian	291,700	44.2	45.2	29.1	4.4
Native Hawaiian/Pac. Islander	57,350	8.7	8.1	16.4	12.6
Some Other Race	7,000	1.1	1.0	1.6	9.8
Two or More Races	125,750	19.0	18.5	26.5	9.3
Minority Group	491,150	74.3	74.2	75.7	6.8
Hispanic or Latino	40,400	6.1	5.8	10.5	11.4
Females (incl. Hispanic)	318,700	100.0%	100.0%	100.0%	6.0%
White	77,600	24.3	24.3	24.8	6.1
Black/African American	3,100	1.0	0.9	1.7	10.6

Sex and Race	Percent Distribution				Unemployment Rate
	Civilian Labor Force	Civilian Labor Force	Employed	Unemployed	
Amer. Indian/Alaskan Native	800	0.3	0.2	0.8	19.1
Asian	146,600	46.0	47.2	27.4	3.6
Native Hawaiian/Pac. Islander	27,000	8.5	8.0	16.0	11.3
Some Other Race	3,100	1.0	0.9	1.7	10.4
Two or More Races	60,450	19.0	18.4	27.5	8.7
Minority Group	241,100	75.7	75.7	75.2	6.0
Hispanic or Latino	19,900	6.2	5.9	11.3	10.9
Females as a Percent of Both Sexes	48.20%	----	----	----	----

Note: Totals may not add due to rounding.

Source: Labor Force Estimates from 2011 Annual Local Area Unemployment Statistics (LAUS), based on 2000 Census.

Earnings

Median weekly earnings for full-time wage and salary workers in 2010 averaged \$732 per week. Males earned \$797 per week, while females received \$658 per week. For women, this translates to 82.6 percent of the median weekly earnings of men, which is a slight increase of 1.1 percentage points from 2009. Nationwide, women earned \$669 or 81.2 percent of the \$824 earned by men. In 2011, women accounted for about 48 percent of the civilian labor force, with a 6.0 percent unemployment rate. This rate compares favorably to the 7.4 percent unemployment rate for males and the overall rate of 6.7 percent for both sexes combined.

Age of the Workforce

The age of the workforce – those over 45 years old and older make up approximately 45 percent of the current labor force. From 2000 to 2010, growth in “pre-seniors” (age 55 to 64) led growth among all age groups as the older baby boomers (born between 1946 and 1955) moved into this group, expanding by 54 percent. Those in the 45-to-54 year-old bracket (born between 1956 and 1965), the larger, younger baby boom cohort continued to expand as well. Similar to the rest of the nation, over the next 5 to 10 years, workers in these age brackets will reach retirement age. Replacing these workers poses numerous challenges since they possess many years of work experience and knowledge. Meanwhile, the state’s child population (under age 15) grew by only 3.2 percent from 2000 to 2011.

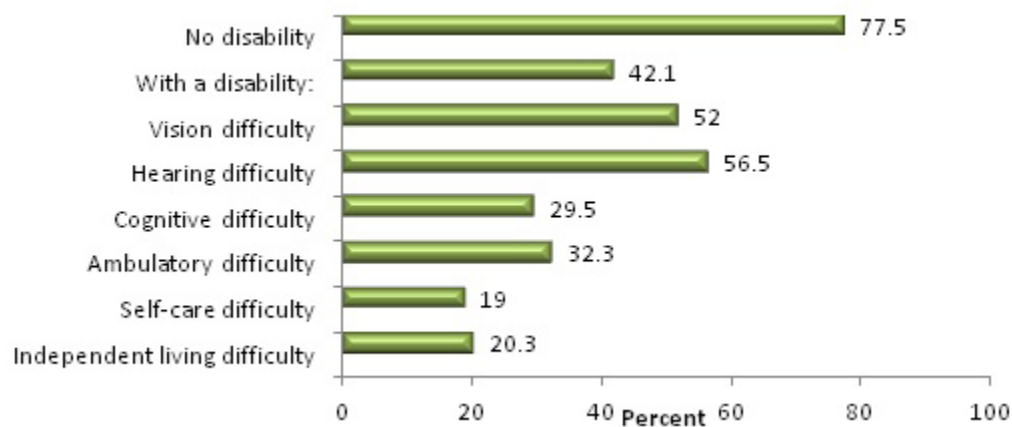
Approximately 62.8 percent of Hawaii’s civilian population, age 16 and older, is participating in the workforce, compared to the national average of 64.1 percent.

Other general demographics that affect the makeup of the potential workforce:

Disabled

- More than one-fifth (21.2 percent) of the state's population has a disability. Of those between the ages of 18 and 64 years old, approximately 42.2 percent of people with disabilities were employed compared to 77.5 percent of people without a disability. Of the six disability types (hearing, vision, cognitive, ambulatory, self-care, and independent living), people with hearing difficulties had the highest employment-to-population ratio at 56.5 percent. People with self-care difficulties had the lowest employment-to-population ratio of 19.0 percent.

EMPLOYMENT-TO-POPULATION RATIO BY DISABILITY AND TYPE: 2010



Source: U.S. Census Bureau, American Community Survey 2008-2010, Table B18120

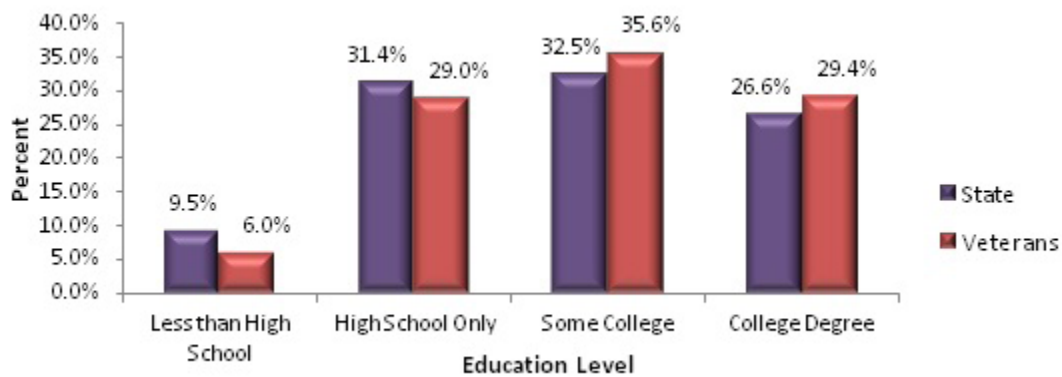
Foreign-born Population

- More than one-fifth (18.1 percent) of the state's population is foreign-born. Among the foreign-born residents, 29.2 percent reported the year of entry into the United States as 2000 or later. More than three-quarters (77 percent) of Hawaii's foreign-born population was born in Asia.
- A little over a quarter (25.9 percent) of the population over the age of 5 years old speaks a language other than English. Not surprisingly, considering the size of the foreign-born population, the overwhelming majority (84.6 percent) reported "Asian and Pacific Islander languages" as the language other than English spoken at home. Of the total group that speaks a language other than English at home, almost half (46.8 percent) stated that they speak English less than "very well."

Veterans

- Veterans constitute approximately 11.7 percent of the civilian population over 18 years old. The labor force participation rate for veterans in Hawaii is 79.2 percent compared to 76.8 percent for the nation. Approximately 4.9 percent of the state's veterans are unemployed, slightly higher than the statewide rate of approximately 4.5 percent. Median income of veterans averaged \$41,840. In terms of education, 6 percent had less than a high school degree, 29 percent had only a high school diploma, more than one-third (35.6 percent) of the veterans had at least attended college, and 29.4 percent graduated from college. Compared to the statewide population, veterans have attained higher levels of education. See chart below.
- Although veterans currently have a fairly low rate of unemployment, a significant number of veterans will be entering the workforce in the future as the military winds down. Of those returning, it is estimated that approximately 45 percent have sustained an injury.

**EDUCATION LEVEL OF THE STATE POPULATION VS. VETERANS,
ADULTS 25 AND OVER, 2006-2010**



Source: United States Department of Agriculture, Atlas of Rural and Small Town America

Homeless

- Hawaii's homeless population increased by 7.02 percent from 2009 to 2011, growing from 5,782 to 6,188. Although the actual number of homeless is relatively small when considering the total homeless population for the nation as a whole, Hawaii's rate of homelessness (homeless people per 10,000 in general population) is the highest in the nation. Only Hawaii and Oregon have a rate of 45 which is more than double the national rate of 21.

Farm Workers

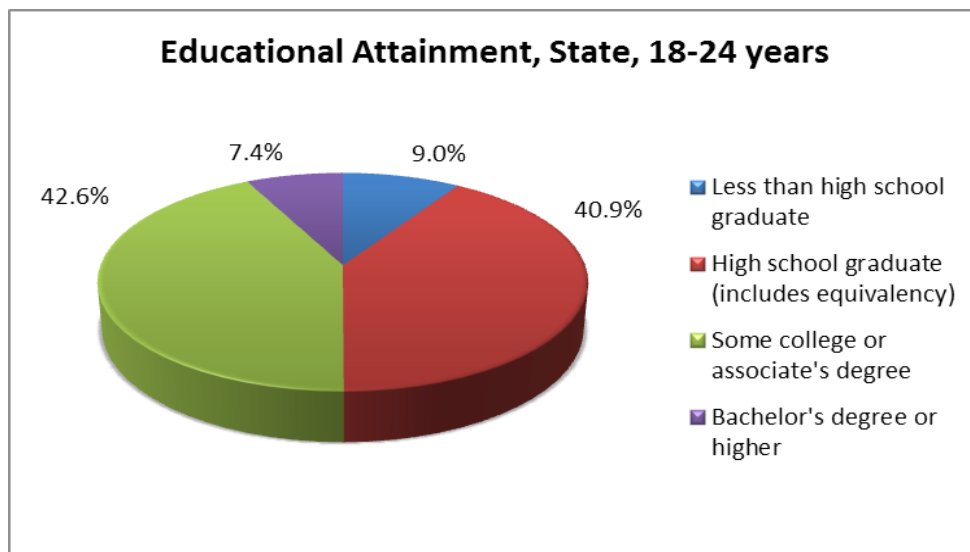
According to the U.S. Department of Agriculture, National Agricultural Statistics Service, in 2011, Hawaii's hired agricultural workforce increased from 6,400 to 7,100 workers, up 11 percent from 2010. All other (diversified agriculture) provided over 90 percent of the total gain in the agricultural workforce.

Based on the assessments above, an analysis of the skill and education gaps for all individuals within the state, particularly for those individuals targeted by the programs included in the Integrated Workforce Plan

HAWAII PERFORMS WELL IN EDUCATIONAL ATTAINMENT

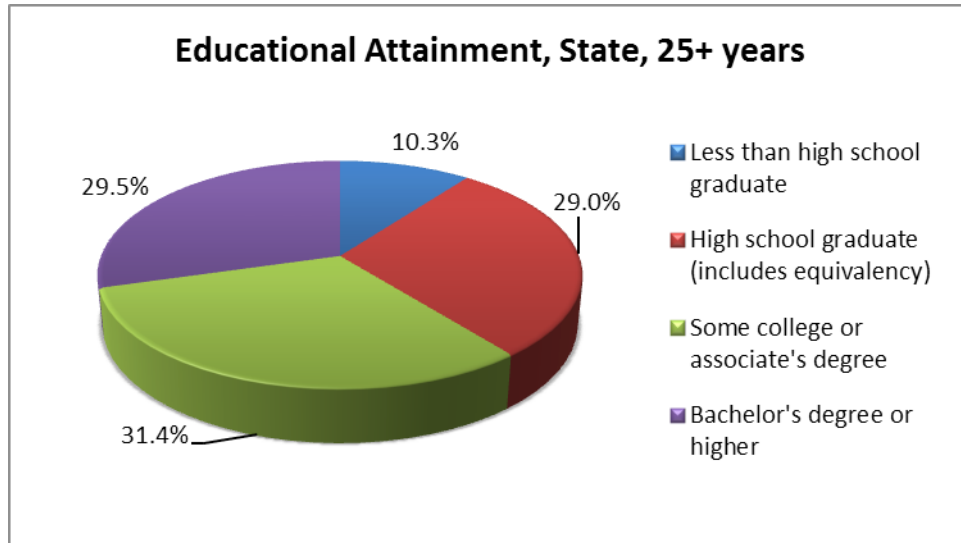
Overall, Hawaii compared favorably against the nation in terms of educational attainment, both for youth and working age populations. Hawaii had a smaller percentage of people without high school diplomas and a slightly greater share of high school graduates. In terms of college and degrees, Hawaii had higher shares of those also, except in the youth aged 18-24, which trailed the U.S. in percentage of those holding Bachelor's or higher degrees.

Nine percent of the youth in Hawaii did not graduate from high school during the reference period 2006-2010. However, Hawaii compared favorably against the nation which averaged 17.1 percent. High school graduates comprised nearly 41 percent of Hawaii's youth, which is significantly higher than the U.S. average of 31.2 percent. The percentage of youth with some college or associate's degrees was almost identical with 42.6 percent for Hawaii and 42.5 percent in the nation. In terms of the youth that earned Bachelor's or higher degrees, Hawaii lagged behind the U.S. with 7.4 percent compared to the national average of 9.2 percent.



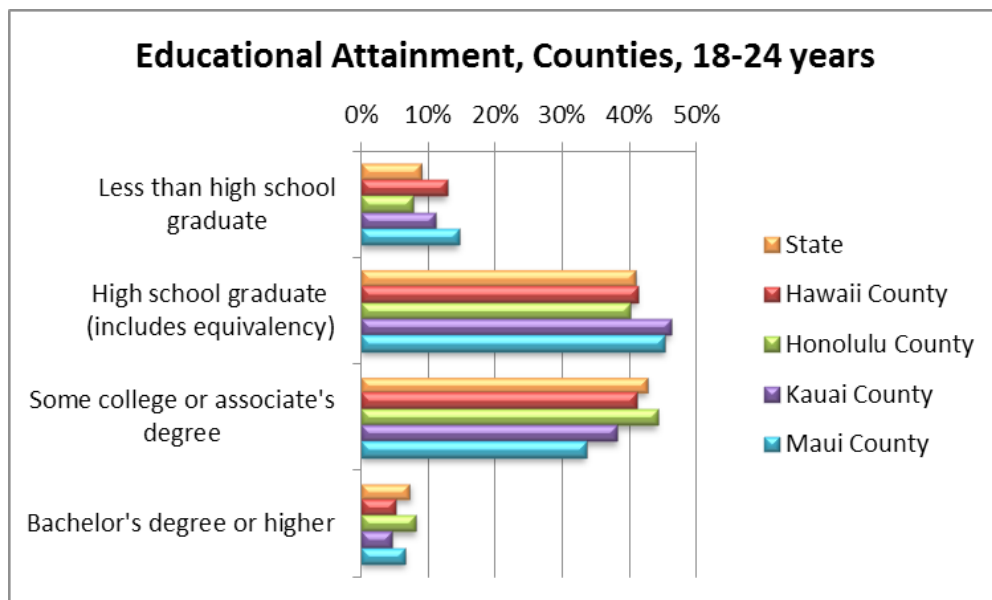
Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates, Table S1501.

Among the working age population aged 25 years and older, Hawaii had 10.3 percent with no high school diploma, while the U.S. came in higher with 14.9 percent. The percentage of high school graduates was the same for Hawaii and the nation with 29 percent. Those with some college or associate's degree comprised 31.4 percent of working age people in Hawaii, while the figure for the U.S. was lower at 28.1 percent. Working age people holding a Bachelor's or higher degree accounted for a 29.5 percent share in Hawaii, while the same group comprised only 27.9 percent in the nation.



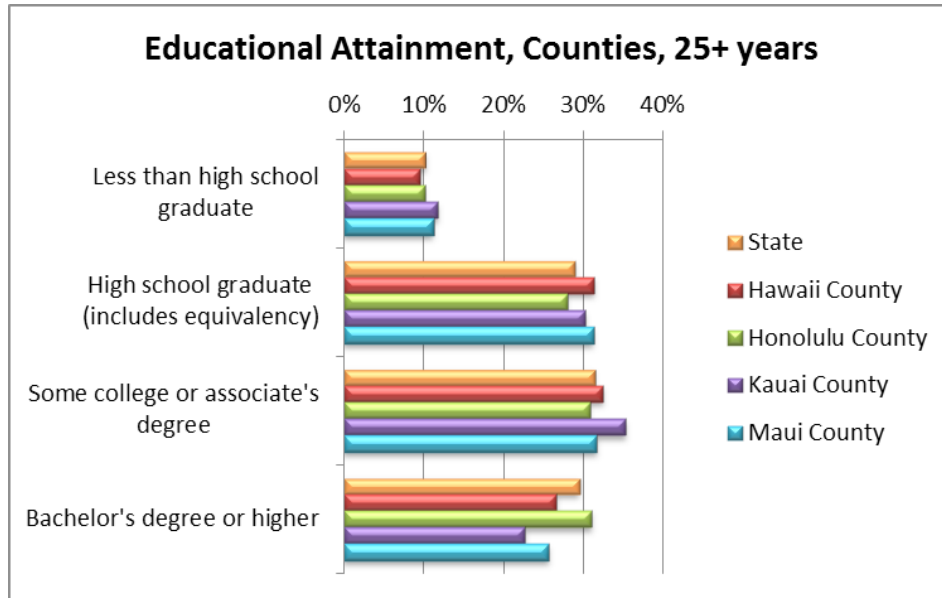
Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates, Table S1501.

Among the four counties in Hawaii, Honolulu County fared the best in terms of educational attainment for youth aged 18-24 years old. Honolulu had the smallest percentage of those without a high school diploma and the highest share of those with some college or degrees.



Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates, Table S1501.

Educational attainment among the counties varied among the working age population aged 25 years and older. Hawaii County had the smallest percentage of non-high school graduates, but they also had the highest share of those with only high school diplomas. Meanwhile, Kauai County had the highest percentage of those with some college or associate's degrees. Honolulu County had the greatest share of those with Bachelor's or higher degrees.



Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates, Table S1501.

Within the University of Hawaii system that includes three university campuses and seven community colleges, there were nearly 9,000 degree and certificates earned during the fiscal year 2010 to 2011, a record number. About 52 percent of the degrees were from the main UH campus at Manoa, with nearly 3,000 being Bachelor's degrees and 1,232 being Master's degrees. UH at Hilo conferred 731 degrees, mostly of the Bachelor's type. Of the community colleges, Kapiolani was the largest school conferring 851 degrees, predominantly Associate's degrees.

**DEGREES, DIPLOMAS AND CERTIFICATES EARNED,
UNIVERSITY OF HAWAII SYSTEM, FY 2010-2011**

	Total	UH- Manoa	UH- Hilo	UH- West Oahu	Hawaii CC	Honolulu CC	Kapiolani CC	Kauai CC	Leeward CC	Maui CC	Windward CC
All Degrees	8,988	4,675	731	255	405	559	851	208	657	482	165
Certificates	474				62	38	91	59	60	155	9
Associate Degrees	2,847				343	518	760	149	597	324	156
Advanced Prof. Cert.	3					3					
Bachelor's Degrees	3,796	2,957	581	255						3	
Post Bach.	103	75	28								
Master's Degrees	1,269	1,232	37								
Doctor's Degrees	213	212	1								
First Profes- sional	283	199	84								

Source: Banner Operational Data Store (ODS) IRO_DEGREE

According to the U.S. Department of Education, National Center for Education Statistics, Common Core of Data 2007-2008 report, Hawaii had 76 percent of its entering freshman class graduating from high school with a regular diploma in four years. This ranks Hawaii 25th in the nation, tied with five other states. Meanwhile, the number of public high school dropouts in Hawaii was 2,938 in the school year 2006-2007. This dropout rate of 5.4 percent ranked Hawaii 12th highest in the nation.

SIXTEEN PERCENT LACK BASIC PROSE LITERACY SKILLS

Sixteen percent of Hawaii's population (16+ years old) was lacking basic prose literacy skills, which means the knowledge and skills needed to perform prose tasks (to search, comprehend, and use information from continuous texts, such as paragraphs from stories). This group included those who scored 'below basic' in prose and those who could not be tested due to language barriers. This was an estimate that had a margin of error as measured by the associated credible interval. There was a 95 percent chance that the value of the percent lacking basic prose literacy skills was contained between the lower and upper bound. The literacy assessments are conducted in conjunction with the National Assessment of Adult Literacy (NAAL) about once a decade and 2003 was the most current one available.

Kauai County had the lowest percentage of people lacking basic prose literacy skills with 12 percent, followed by Hawaii County with 13 percent and Maui County with 14 percent. Honolulu County, with 17 percent, was the only county that had a higher percent than the State.

**PERCENT LACKING BASIC PROSE LITERACY SKILLS
AND CORRESPONDING CREDIBLE INTERVALS, HAWAII 2003**

Location	Population	% Lacking Basic Prose Literacy Skills	95% Credible Interval	
			Lower Bound	Upper Bound
State of Hawaii	944,472	16	11.5	22.2
Hawaii County	118,659	13	6.1	22.0
Honolulu County	675,356	17	11.7	25.0
Kauai County	46,358	12	6.0	21.6
Maui County	103,972	14	6.8	24.1

Source: U.S. Dept. of Education, Institute of Education Sciences, National Center for
Education Statistics, 2003 National Assessment of Adult Literacy

POSTSECONDARY INSTITUTIONS

In 2006, Hawaii had 28 postsecondary institutions, ten of which were public and 18 which were private. Of these, 25 institutions offered career education programs at various levels, mostly for Bachelor's or Associate's degrees. An institution was counted as offering a career education program if it awarded an undergraduate credential in a career field of study. These institutions awarded a total of 6,423 career education credentials.

**NUMBER OF POSTSECONDARY INSTITUTIONS THAT OFFERED CAREER EDUCATION PROGRAMS
AND NUMBER OF CAREER EDUCATION CREDENTIALS AWARDED, HAWAII, 2006**

Level of Credential	Institutions	Credentials
Certificate: Less than 1 year	1	385
Certificate: At least 1 but less than 2 academic years	4	565
Associate's degree	9	1,963
Other subbaccalaureate credential	1	20
Bachelor's degree	10	3,490
Total	25	6,423

Source: U.S. Dept. of Education, National Ctr. for Education Statistics,
Integrated Postsecondary Education Data System (IPEDS)

The most popular fields of study were: business management; health sciences; computer and information sciences; and consumer services.

**NUMBER OF POSTSECONDARY INSTITUTIONS THAT OFFERED CAREER EDUCATION PROGRAMS
AND NUMBER OF CAREER EDUCATION CREDENTIALS AWARDED, HAWAII, 2006**

Career Field of Study	Institutions	Credentials
Agriculture and natural resources	6	92
Business management	17	1,912
Business support	6	79
Communications and design	7	389
Computer and information sciences	13	401
Consumer services	12	484
Education	9	414
Engineering, architecture, and science technologies	8	379
Health sciences	14	1,132
Manufacturing, construction, repair and transportation	10	341
Marketing	5	226
Protective services	9	368
Public, legal, and social services	11	206
Any field of study	25	6,423

Source: U.S. Dept. of Education, National Ctr. for Education Statistics,
Integrated Postsecondary Education Data System (IPEDS)

MISMATCH: EDUCATION AND WORK EXPERIENCE REQUIREMENTS

The percentage breakout by education requirements and the levels possessed by candidates for advertised jobs was fairly comparable for all education levels except those requiring either college, technical or vocational school and jobs requiring a bachelor's degree. A little over one percent of the jobs stated College, Technical, or Vocational School as a requirement; however, over 21 percent of the candidates possessed this education level. Bachelor's degrees were required on approximately one-third of the jobs, but only 14.9 percent of the candidates obtained a bachelor's degree. Upon closer examination of the numbers, the actual number of potential candidates overwhelmingly exceeded the number of job listings posted for all education levels. Even though the percentage of candidates with bachelor's degrees was lower than the percent of jobs requiring a bachelor's degree, the number of available candidates was more than 8 times the number of job openings.

EDUCATION REQUIREMENTS VS. EDUCATION LEVEL ON ADVERTISED JOBS

	Education Requirements On Advertised Jobs		Education Level of Available Candidates	
	Job Openings	Percent	Potential Candidates	Percent
Not specified	14,114	---	---	---
No Minimum Education Requirement	140	6.5%	---	---
Less than High School	5	.2%	2,186	5.3%
High School Diploma or Equivalent	889	41.0%	16,431	39.9%
1 to 3 Years at College or a Technical or Vocational School	29	1.3%	8,998	21.9%

	Education Requirements On Advertised Jobs		Education Level of Available Candidates	
	Job Openings	Percent	Potential Candidates	Percent
Vocational School Certificate	56	2.6%	1,921	4.7%
Associates Degree	218	10.1%	3,126	7.6%
Bachelor's Degree	716	33.0%	6,132	14.9%
Master's Degree	100	4.6%	1,843	4.6%
Doctorate Degree	13	.6%	273	.7%
Specialized Degree (e.g. MD, DDS)	3	.1%	245	.6%

Source: HIWI Area Profile, Online Advertised Jobs, June 4, 2012.

Of the advertised jobs that listed work experience requirements, employers generally required less work experience. Over half of the jobs could be performed with two years or less of experience. On the other hand, many potential candidates possessed higher levels of work experience. More than one-third of the candidates were employed for over 10 years. In fact, 58 percent of those seeking employment had worked at least five years. There were far fewer jobs openings for those with at least five years of experience compared to the jobs with less experience requirements. This presents problems for those with greater work experience seeking employment.

WORK EXPERIENCE REQUIREMENTS VS. WORK EXPERIENCE OF JOB SEEKERS ON ADVERTISED JOBS

	Work Experience Requirements on Advertised Jobs		Work Experience Levels of Available Candidates	
	Job Openings	Percent	Potential Candidates	Percent
Minimum Experience				
Not Specified	15,159	---	---	---
Less than 1 Year	---	---	7,630	18.5%
1 Year to 2 Years	573	51.0%	2,525	6.1%
2 Years to 5 Years	449	40.0%	6,925	16.8%
5 Years to 10 Years	90	8.0%	8,760	21.3%
More than 10 Years	12	1.1%	15,315	37.2%

Source: HIWI Area Profile, Online Advertised Jobs, June 4, 2012

An analysis of the challenges associated with the state's population attaining the education, skills, and training needed to obtain employment.

As we look towards the challenges facing the education and training needs of the state's future workforce, eight different factors were examined. This includes: cost of living and consumer price index, poverty rates, health coverage, multiple jobholders, labor underutilization, homeownership, electricity consumption, and traffic congestion.

COST OF LIVING

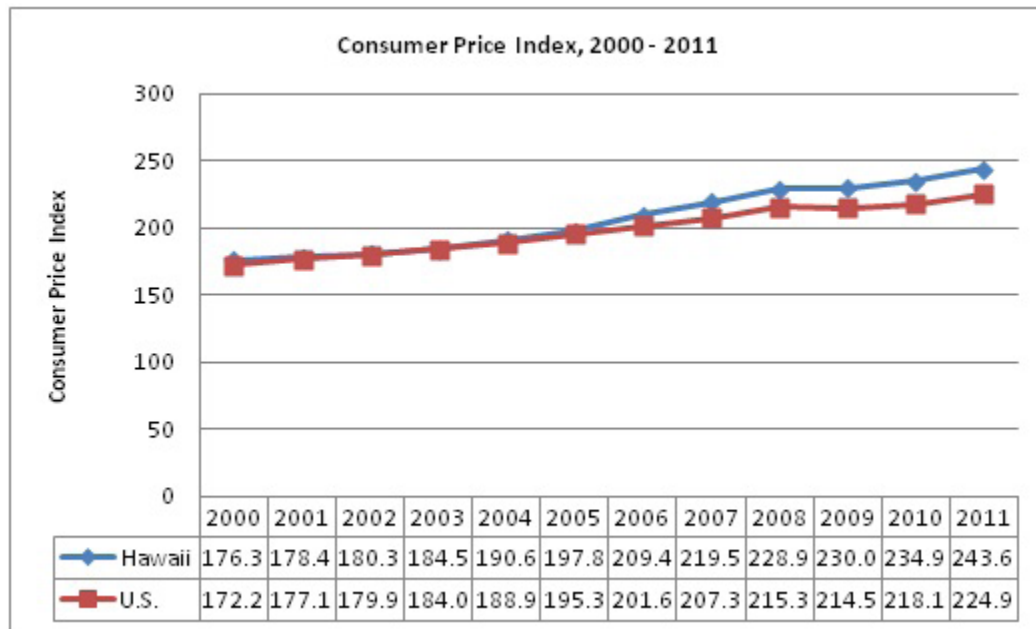
Hawaii's cost of living has always been higher than the United States. As of September 2011, it was indexed at 176.7 compared to a U.S. average of 100. This means that it was more expensive to live in the state than most places in the nation.

Cost of living	Hawaii	United States
Overall	177	100
Food	158	100
Utilities	157	100
Miscellaneous	122	100

Source: SperlingViews for Hawaii, http://www.bestplaces.net/cost_of_living/state/hawaii, 9/11

Consumer Price Index

Another example of how costly it is for the state's residents is depicted in the consumer price index (CPI) chart below. Between 2000 and 2011, Hawaii's CPI advanced by 38.2 percent compared to the U.S. increase of 30.6 percent.



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Poverty Rates Lower for Hawaii than Nation

People living in poverty face numerous challenges when seeking work. Since those living in poverty tend to reside within close proximity of each other rather than being spread out among geographic areas, the Census Bureau classifies census tracts into four categories based

on poverty rate levels. (See table below.) Census tracts with poverty rates of 20 percent or more (tracts in category III and category IV) are referred to as “poverty areas.”

According to data from the American Community Survey, poverty levels in Hawaii were lower when compared to national data. While almost a quarter (23 percent) of the U.S. population resided in poverty areas, only 10.8 percent of Hawaii residents lived in poverty areas. In terms of the states with the lowest percentage of people residing in poverty areas, Hawaii ranks 7th following New Hampshire, Wyoming, Alaska, Maryland, Delaware, and Vermont. At the other end of the spectrum, Hawaii was one of 10 states (Alaska, Connecticut, Hawaii, Maryland, Massachusetts, Minnesota, New Hampshire, New Jersey, Utah, and Wyoming) in which more than three-fourths of the population resided in census tracts with poverty rates less than 13.8 percent.

DISTRIBUTION OF PEOPLE IN CENSUS TRACTS BY POVERTY LEVELS: 2006-2010

	Total in All Census Tracts	Category I (Less than 13.8%)	Category II (13.8% - 19.9%)	Category III (20.0 - 39.9%)	Category IV (40.0% or more)
U.S. Total	296,141,149	61.4%	16.0%	19.1%	3.5%
Hawaii	1,298,918	79.2%	10.0%	9.8%	1.0%

Source: U.S. Census Bureau, 2006-2010 American Community Survey.

Out of the 314 populated census tracts in Hawaii, 36 census tracts had a poverty rate of over 20 percent. They were located in the following areas: 25 on Oahu, 8 on the Big Island, 1 on Molokai, and 2 on Maui. (See table below) In regards to family poverty rate, 18 census tracts had family poverty rates of over 20 percent. Four of these 18 census tracts with the highest percentage below the poverty level were located on the Big Island and the remainder was located on Oahu.

PERSONS BELOW THE POVERTY LEVEL FOR THE STATE OF HAWAII, BY CENSUS TRACTS

State/Island	2010 Census Tract	2010 Name	Percent	MOE 1/
State of Hawaii			9.6%	+/-0.3
Honolulu	54	Mayor Wright Housing	61.2%	+/-15.8
Honolulu	62.02	Linapuni Street	58.7%	+/-19.6
Honolulu	63.02	Kalena Drive	58.2%	+/-11.7
Hawaii	203	Hilo: Pu'u'eo-Downtown	41.8%	+/-7.2
Honolulu	20.03	Seaside Avenue	40.7%	+/-11.9
Honolulu	57	Iwilei-Anuenue	39.2%	+/-10.2
Hawaii	205	Hilo: University-Houselots	37.8%	+/-11.8
Honolulu	36.03	Ahana Street	37.5%	+/-9.6
Honolulu	39	Civic Center	33.6%	+/-19.9
Honolulu	52	Chinatown	31.5%	+/-8.9
Hawaii	211.06	Pahoa	30.7%	+/-8.5
Honolulu	97.01	Waianae Kai	30.1%	+/-8.8
Honolulu	98.02	Makaha	30.1%	+/-8.7
Honolulu	87.03	West Loch	29.1%	+/-7.2
Honolulu	36.04	Kaheka Street-Makaloa Street	28.8%	+/-13.3
Honolulu	58	Waiakamilo Road	28.8%	+/-8.2

continues next page

State/Island	2010 Census Tract	2010 Name	Percent	MOE 1/
Hawaii	211.01	Kalapana-Kapoho	26.4%	+/-8.2
Honolulu	98.01	Makua Valley	25.4%	+/-8.3
Hawaii	210.05	Hawaiian Paradise Park	25.3%	+/-7.5
Maui	305.01	Pa'ia	24.9%	+/-19.0
Maui	307.10	Keawakapu	24.8%	+/-15.7
Honolulu	51	Foster Botanical Garden	24.0%	+/-6.8
Honolulu	75.04	Aloha Stadium	23.8%	+/-8.9
Hawaii	210.10	Upper Puna (Puna Mauka)	23.4%	+/-5.0
Honolulu	95.02	Menohar Street	22.8%	+/-13.1
Honolulu	19.03	Ena Road	22.4%	+/-10.3
Honolulu	68.09	Ala Ilima Makai	22.4%	+/-9.6
Honolulu	94	Wahiawa Makai	21.9%	+/-7.0
Hawaii	212.02	Ka'u	21.8%	+/-6.0
Honolulu	113	Waimanalo	21.6%	+/-9.2
Honolulu	96.03	Mali	21.0%	+/-6.2
Hawaii	210.13	Kea'au	21.0%	+/-5.7
Honolulu	26	Bingham Tract	20.9%	+/-10.3
Honolulu	18.01	Koa Avenue	20.3%	+/-11.1
Molokai	318.01	West Moloka'i	20.1%	+/-7.8
Honolulu	62.01	Kam IV Road	20.0%	+/-7.0

Source: U. S. Census Bureau, American Community Survey, 2006-2010

Health Coverage Widespread Among the State's Residents

A large majority (92.9 percent) of the state's civilian non-institutional population had health insurance coverage. More than three-fourths (78.7 percent) obtained their coverage through private health insurance, while the remainder were covered through a public health insurance plan. The uninsured rate among those less than 18 years old was 2.3 percent. In terms of employer-based health insurance coverage, Hawaii ranked third among the 50 states with the highest rates of coverage for both people who worked full time, year round and those who worked less than full time, year round in 2010 (86.2 percent and 60.6 percent, respectively). Only Massachusetts and New Hampshire had higher rates of coverage. Of those that did not work, 47.2 percent received employer-based health insurance coverage.

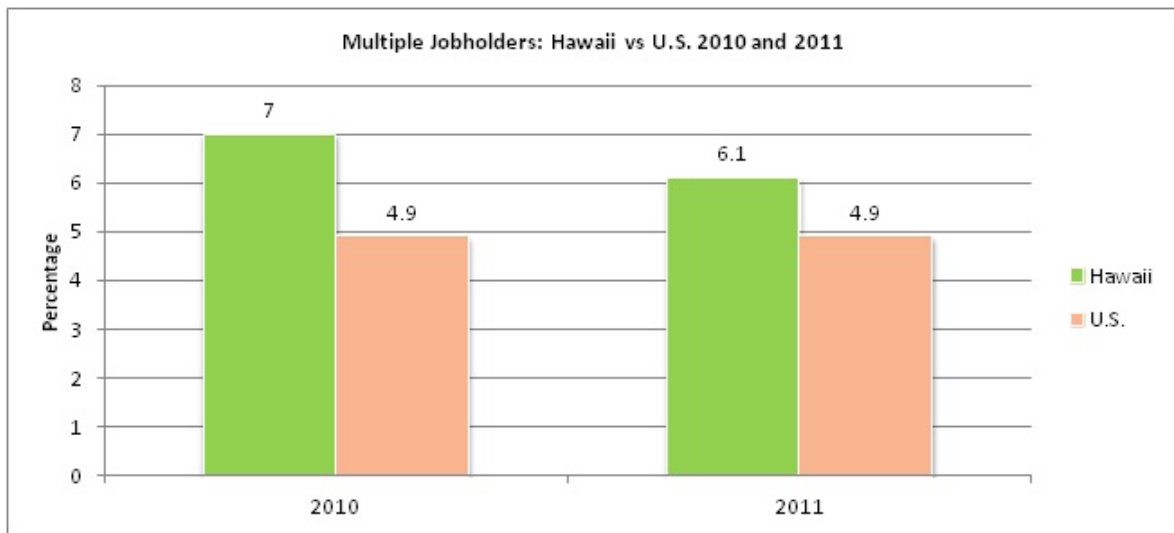
**HAWAII HEALTH INSURANCE COVERAGE STATUS:
CIVILIAN NON-INSTITUTIONALIZED POPULATION 18 YEARS AND OVER**

Total:	994,430
Worked full-time, year-round:	451,880
With health insurance coverage	429,186
With employer-based health insurance	389,432
With direct-purchase health insurance	68,773
With Medicare coverage	16,743
With Medicaid/means-tested public coverage	14,779
No health insurance coverage	22,694
Worked less than full-time, year-round:	246,816
With health insurance coverage	211,526
With employer-based health insurance	149,680
With direct-purchase health insurance	41,411
With Medicare coverage	23,697
With Medicaid/means-tested public coverage	27,454
No health insurance coverage	35,290
Did not work:	295,734
With health insurance coverage	270,658
With employer-based health insurance	139,698
With direct-purchase health insurance	73,785
With Medicare coverage	156,598
With Medicaid/means-tested public coverage	60,287
No health insurance coverage	25,076

Source: U.S. Census Bureau, American Community Survey, 2008-2010, Table B27012

High Rate of Multiple Jobholders in Hawaii

Hawaii's rate of multiple jobholders at 7 percent was tied for 11th highest in the nation in 2010 and fell to 6.1 percent or 16th highest in 2011. Although there was improvement in this rate for 2011, Hawaii still ranks high in terms of those employed in more than one job.



Source: U.S. Census Bureau, Current Population Survey

Labor Underutilization

For 2011, all six of Hawaii's alternative measures of labor were lower than the average for the nation as a whole. In terms of discouraged workers, the difference between U-3 and U-4, Hawaii is near the middle with a ranking of 21 out of the 50 states. When the marginally attached are added in U-5 and involuntary part-time workers are included in U-6, the difference between the two measures another form of "underemployment." Hawaii's ranking drops to 41st in this category.

**ALTERNATIVE MEASURES OF LABOR UNDERUTILIZATION,
2011 ANNUAL AVERAGE (PERCENT)**

	U-1	U-2	U-3	U-4	U-5	U-6
United States	5.3	5.3	8.9	9.5	10.4	15.9
Hawaii	4.5	4.2	7.3	7.8	9.0	15.1

Source: U.S. Bureau of Labor Statistics

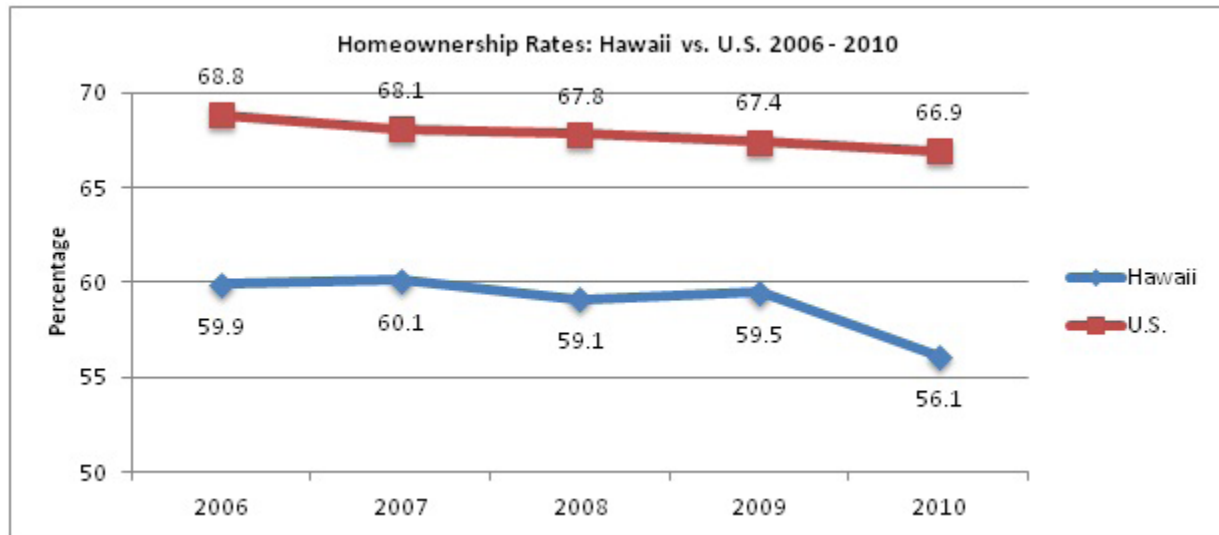
Definitions of the six state measures:

- U-1** Persons unemployed 15 weeks or longer, as a percent of the civilian labor force
- U-2** Job losers and persons who completed temporary jobs, as a percent of the civilian labor force
- U-3** Total unemployed, as a percent of the civilian labor force (definition used for the official unemployment rate)
- U-4** Total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers
- U-5** Total unemployed, plus discouraged workers, plus all other marginally attached workers, as a percent of the civilian labor force plus all marginally attached workers

U-6 Total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers

Homeownership Declines

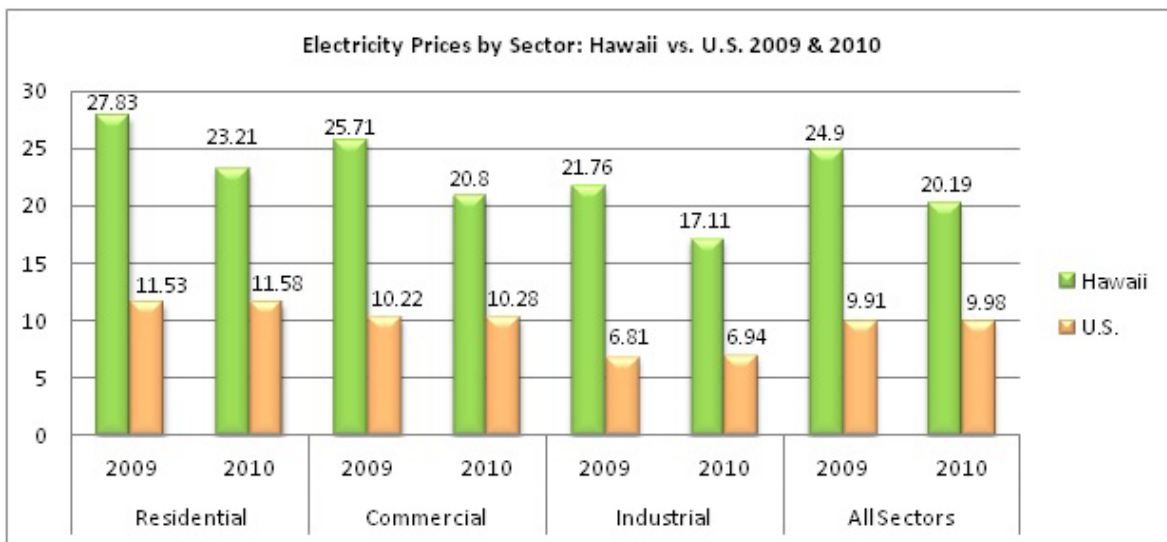
Although homeownership rates for the U.S. and Hawaii have been trending downwards from 2006 to 2010, Hawaii's rates have remained well below the U.S. and fell further behind in 2010.



Source: U.S. Census Bureau, "Housing Vacancies and Home Ownership."

Electricity Prices Soar

Adding to the high cost of living, Hawaii consumers pay the highest rates of electricity in the nation for all sectors – residential, commercial, and industrial. As Hawaii strives to reach the goal set forth by the Hawaii Clean Energy Initiative of reducing its dependence on imported oil by 70 percent within 20 years, this provides added incentive to develop alternative sources of energy. This could ultimately lead to job creation within the energy sector.



Source: ElectricChoice.com

Honolulu Has Worst Traffic In Nation

According to the Nation's INRIX Index, a key indicator of traffic congestion, in 2011 Honolulu topped the list of worst cities for traffic in America. Residents waste approximately 58 hours per year stuck in traffic.

A discussion of the ability of Integrated Workforce Plan programs to meet the skill needs of employers in the state and close any skill gaps

The Integrated Workforce Plan is designed to identify the needs of employers and gather critical information on skill needs and skill gaps for those industries that have been experiencing economic expansion in the State of Hawaii. The state addresses the skill needs identified by employers through its interaction with educational partners and members of the private industry. Currently, skill gaps are addressed through short-term on-the-job training programs that are available in high growth industries identified in the state.

To address skill gaps in specific targeted industries, the WDC has held a series of employer led industry skill panels that address the short- and long-term skill needs in specific high – growth industries. These panels provide an opportunity for industry leaders, educational entities and government to both discover specific job growth, skill needs, and connecting education and training solutions to those identified needs. These interactions have resulted in a number of new and innovative educational programs in the healthcare field that has begun to narrow the skills gaps discovered in two sessions held in late 2010. The WDC intends to continue to hold skill panel sessions addressing skill gaps in all high-growth industries in the state.

Tools to Assess Employer Skill Needs

We should be better able to determine the skill needs of employers with the advent of more information technology available to the states through programs and tools such as:

- the Business Employment Dynamics (BED) Program, that analyzes longitudinal establishment microdata from the Quarterly Census of Employment and Wages (QCEW) to generate measures of gross job gains and losses and establishment openings, expansions, contractions, and closings
- the Census Bureau's Local Employment Dynamics (LED) Partnership in which our LMI agency provides establishment and worker Unemployment Insurance (UI) records to Census in exchange for unique, valuable indicators of the "employment flows" in states and areas through Quarterly Workforce Indicators, OnTheMap, and soon, the Job-to-Job Flows tool
- the Census Bureau's American Community Survey as a key source of workforce information, including TIGER files for geospatial identifiers
- O*NET that is used to translate occupational information into skills information useful for education and training planning
- Use of "real-time" LMI services that regularly scrape electronic job boards to generate highly current job demand, content, and requirements information

Supply-Demand Analysis

Currently our long term job projections are based on historical data, which may not always be good indicators of future job trends. Therefore, we will be partnering with the University of Hawaii to do a supply/demand analysis in order to develop a predictive model to improve our long term projections and better forecast the needs of employers and develop training curriculum and certification.

Workforce Longitudinal Data System

In order to close any skills gaps, the Department of Labor and Industrial Relations recently won approval for a grant proposal to work with state education agencies to link UI data to statewide longitudinal data systems (SLDS) that will allow analysts to see the workforce outcomes of individual education and training programs. This workforce longitudinal data system (WorLDS) will permit the tracking of training participants through various programs by the Workforce Development Division apprenticeship, Department of Human Service, and other non-profit organizations and what kind of jobs these trainees secure upon entering the workforce.

[illegible]

STATE STRATEGIES

The Integrated Workforce Plan must describe the key strategies the state intends to implement, based on its economic analysis, to achieve the governor's vision and goals.

CROSS-PROGRAM STRATEGIES

The plan must discuss integrated cross-program strategies for specific populations and sub-populations identified in the state's economic analysis, strategies for meeting the workforce needs of the state's employers, and regional and sector strategies tailored to the state's economy.

The Workforce Development Council is composed of representative from:

- Cabinet level directors from the State agencies of labor, human services, economic development, education and the president of the University of Hawaii,
- Private sector representatives, including representatives from the four LWIBs,
- Community-based native Hawaiian organization,
- Labor,
- State House and Senate,
- County Mayors, and
- Governor

The WDC is the aligning entity of Hawaii's workforce development infrastructure. The majority of state and county agencies that directly control the state and federally funded workforce programs are all members of the WDC. Additionally, the WDC has the state mandated statutory responsibility to continuously identify workforce challenges and develop solutions to targeted industry workforce challenges.

In order to better align these workforce programs to meet the current and anticipated needs of Hawaii's private and public sector employers, the WDC has implemented a sector based approach to planning by creating specific employer led Industry Skill Panels.

Industry Skill Panels are private/public partnerships that collaborate to address competitiveness issues by focusing on workforce development. The WDC implemented these sector-based approaches in order to better identify strategic planning issues and make recommendations regarding Hawaii's workforce within specific industries. Participation from employers, educational institutions, economic development organizations, labor organizations, and others ensure that a variety of stakeholder perspectives are represented.

Harnessing the expertise of leaders in business, labor, education, economic development, and other sectors, Skill Panels bring competitors within a specific industry together to collaboratively address critical issues, skill gaps, training needs, and performance outcomes that affect the industry as a whole.

The Industry Skill Panels build consensus, prioritize their specific industry workforce needs by local area, and become better able to mobilize partners and leverage resources to

make the greatest economic impact. Additionally, their mutual efforts are more influential with government, businesses, associations, and educational institutions than they would be if trying to fill workforce needs individually within silos.

PARTNERSHIPS

The plan must include a discussion of key strategic partnerships that are necessary to successfully implement the strategies, specify roles of specific state entities and programs, and discuss how the strategies will meet the needs of employers and of each subpopulation. (WIA Sections 111(d)(2), 112(b)(8), W-P Section 8(c).)

See prior section.

LEVERAGING RESOURCES

The plan must discuss how the state will coordinate discretionary and formula-based investments across programs and in support of the governor's vision. The state's planned commitment of Federal and non-Federal funds to these investments must be included.

Recognizing the economic reality of dwindling federal and state resources for workforce development, the DLIR, WDC, the University of Hawaii Community College System and the local areas have undertaken a concerted effort to acquire discretionary grants. In general, these efforts have allowed the state to bring in additional resources. However, a positive side effect of this process is the partnership state and county entities (including community based organizations) to better align their workforce development activities. The process of acquiring these grants, as well as the Industry Skill Panels, has actually improved the alignment of “silos” programs to identify and meet workforce needs.

The WDC has been the catalyst in aligning these programs and will continue to do so.

The State Plan will require as a condition of approving local area plans, that the local workforce investment boards explore partnerships with mandated and non-mandated one-stop partners to provide for an integrated service delivery model. For example, under the State Energy Sector Partnership and Job Training Grant, the WDC piloted two integrated models of service delivery which allowed different entities to provide case management and job training. In one example, a local non-profit recruited eligible participants and provided basic work readiness training under their own funding stream. The State then utilized the grant funds to provide the job training to the individuals and collectively the non-profit and the state staff worked to place the individuals with employment.

The State Plan will require the local areas to expand on current MOUs and explore and implement these types of partnerships with new partners which will ensure a model that does more than refer entities to other programs.

The plan must also describe how the state will use program funds to leverage other Federal, state, local, and private resources, in order to effectively and efficiently provide services. (WIA Section 112(b)(10).)

The current restrictions on the Governor's Reserve from 15% to 5% effectively provides very little to no program funds for leveraging purposes.

Policy Alignment

The plan must discuss how the state will align policies, operations, administrative systems, and other procedures to assure coordination and avoid duplication of workforce programs and activities outlined in WIA Section 121(b). (WIA Sections 111(d)(2)(A), 112(b)(8)(A), 121(b), 20 CFR 661.205(b)(1).)

The WDC will take a more proactive role in ensuring that the local areas present plans and Memorandums of Agreement that specifically detail alignment of policies, operations, administrative systems, and other procedures to ensure coordination and reduce/remove duplication of workforce programs operated by the mandated One Stop Partners.

Specific policies regarding alignment are further discussed in the State Operational Plan section.

The WDC is recommending to the Governor that it be reorganized from a stand-alone agency to being housed within the State Workforce Agency's (DLIR) administering agency. This reorganization will require the elimination of the current Executive Director's position. The administrator of the Workforce Development Division (WDD) would fill the role of the Executive Director, reporting to the WDC members.

This reorganization would address the following:

1. Policy Alignment. The WDD is the service provider/administering entity for the majority of the programs required to be mandated One-Stop Partners, as well as other workforce programs. This would allow the WDC to have a more proactive role in understanding and coordinating WIA/W-P programs statewide.
2. The State of Hawaii has lost significant funding under the new restrictions allowing the state to withhold only 5% of WIA funding for the Governor's Reserve. This is insufficient in maintaining the WDC's role regarding policy alignment, and the DLIR's ability to administer the WIA program and perform non-waivable state mandated activities.
3. In relation to item #2, the state has recommended to the four local areas that reorganization of the State of Hawaii to a single Statewide Workforce Investment Board is necessary to maintain the integrity of the WIA/W-P infrastructure. Any sacrifice being asked of the local areas should first be led by the state by ensuring that the state has explored and implemented actions that reduce duplication and streamline activities.

Desired Outcomes

The Integrated Workforce Plan must describe and provide specific quantitative targets for the desired outcomes and results for the programs included in the plan. Table 1 may be used for WIA/W-P programs. The plan should also describe any additional established indicators and system measures, beyond those required by programs' authorizing statutes. (WIA Sections 112(b)(3), 136(b)(1)(A)(ii), (b)(2)(C), 20 CFR 666.110, 666.120(g), 666.300.)

TABLE 1:
OPTIONAL TABLE FOR STATE WIA/W-P PERFORMANCE INDICATORS AND GOALS

WIA Requirement at Section 136(b)	PY 2010 Actual Performance	PY2012 Proposed Performance Goal
Adults:		
Entered Employment Rate	67.4%	60.0%
Employment Retention Rate	88.3%	85.0%
Average Six-Months Earnings	\$11,550.00	\$11,200
Certificate Rate	60.3%	57.0%
Dislocated Workers:		
Entered Employment Rate	72.9%	68.0%
Employment Retention Rate	90.6%	86.0%
Average Six-Months Earnings	\$15,853.60	\$14,750
Certificate Rate	66.8%	63.0%
Youth, Aged 19-21:		
Entered Employment Rate	50.0%	50.0%
Employment Retention Rate	66.7%	69.0%
Six-Months Earnings Change	\$3,221.80	2,052
Certificate Rate	25.0%	38.0%
Youth, Aged 14-18:		
Skill Attainment Rate	46.2%	46.0%
Diploma or Equivalent Attainment Rate	65.7%	78.0%
Retention Rate	87.5%	35.0%
Youth Common Measures:		
Placement in Employment or Education	n/a	n/a
Attainment of a Degree or Certificate	n/a	n/a
Literacy and Numeracy Gains	n/a	n/a
Customer Satisfaction:		
Participant Customer Satisfaction	97.68%	97.68%
Employer Customer Satisfaction	86.44%	86.44%
Additional State-Established Measures:		
% of population served by local areas that are trained and/or placed in industries prioritized by local workforce investment boards	n/a	n/a
# of Participants served that received services from two or more mandated One Stop partners	n/a	n/a
W-P Requirement at Section 13(a)	Previous Year Performance	Performance Goal
Entered Employment Rate	45%	45%
Employment Retention Rate	78%	78%
Average Six-Months Earnings	\$12,320	\$12,320

SECTION II. STATE OPERATIONAL PLAN

Overview of the Workforce System

The State Operational Plan must present an overview of the workforce system in the state.

ORGANIZATION

The overview must describe organization and delivery systems at the state and local levels for the programs covered in the plan, particularly how this organization effectively supports the coordination and alignment of the state's workforce programs and supports integrated service delivery. The overview must include a description of the key state administrative personnel of the programs described in Section I of the Integrated Workforce Plan, and the organizational structure and membership roster of SWIB members and their organizational affiliation.

The Governor appointed the Department of Labor and Industrial Relations (“DLIR”) as his official designee for WIA and all workforce development matters. In turn, the DLIR Director assigned the department’s Workforce Development Division (“WDD”) to administer the WIA funds on the Governor’s behalf. As the WIA Administrator, WDD contracts with and monitors the local area grantees (the four counties) for the purposes of WIA implementation.

WDD also is the administrative entity for the following programs: Wagner-Peyser, Trade Adjustment Assistance, Work Opportunity Tax Credit, Veterans Employment Assistance, Senior Community Service Employment and Registered Apprenticeships, Alien Certification, WIA National Emergency and State programs Employment and Training Fund and Volunteer Internship Program.

Each of Hawaii’s four county mayors appoints the Local Workforce Investment Boards (“LWIBs”) in their respective counties, in accordance with WIA provisions. The One-Stop Center system in each county is operated by a consortium of partners, all of which are led by the applicable county. In the City and County of Honolulu, the City’s WorkHawaii Division of the Department of Community Services operates the WIA adult, dislocated worker, and youth programs in collaboration with its partners. An extension of the federal waiver allowing the City to operate the design framework for the youth program is being requested in this State Plan. On the neighbor island counties of Hawaii, Maui, and Kauai, WDD is the WIA adult and dislocated worker program operator, and youth operators are competitively selected by the counties.

The WDC consists of 31 members who represent the fundamental agencies and stakeholders for workforce development, and acts as the statewide workforce investment board:

Executive Branch Members:

1. Governor Neil Abercrombie, State of Hawaii
 2. Mr. Dwight Takamine, Director, Department of Labor and Industrial Relations (WIA/W-P Administrative Agency and Workforce Information);
 3. Mr. Richard Lim, Director, Department of Business, Economic Development, and Tourism;
 4. Ms. Patricia McManaman, Director, Department of Human Services (VR/TANF training);
 5. Ms. Kathryn Matayoshi, Superintendent, State Department of Education; and
 6. Dr. M.R.C. Greenwood, President, University of Hawaii System.
-

Private Sector Members:

1. Marian Tsuji, President and CEO, Lanakila Pacific (WDC Board Chair)
 2. Allen Chung, President, C Three Consulting LLC
 3. Vicky Gaynor, Business Development Manager, Environet Inc
 4. Carl Hinson, Director of Workforce Development, Hawaii Pacific Health
 5. Robert Martin Jr., Attorney, Alston Hunt Floyd & Ing
 6. Nani Medeiros, Public Affairs and Advocacy Director, Hawaii Primary Care Assn.
 7. Jeffrey Piontek, Founder, Educational Consulting Services LLC
 8. Arun Savara, CEO, The Maids
 9. Tony Saguibo, Vice President, Hawaii Medical Service Association
 10. Marcia Taira, Director of Human Resources, Oceanic Time-Warner Cable
 11. Jeff Thompson, Vice President & Branch Manager, Ledcor Construction Hawaii
 12. Sunshine Topping, Director of Recruiting, Hawaiian Airlines
-

Legislative Branch Members:

1. Senator Clayton Hee – Hawaii State Senate
 2. Senator Jill Tokuda – Hawaii State Senate
 3. Representative Karl Rhoads – Hawaii State House of Representatives
 4. Representative Ryan Yamane – Hawaii State House of Representatives
-

Workforce Development Stakeholder Members:

1. Wayne Higaki, Vice President, Public Affairs, North Hawaii Community Hospital (Chair, Hawaii Island Workforce Investment Board)
2. Steve Lupkes, Research Station Manager, BASF Plant Science (Chair, Kauai Workforce Investment Board)
3. James Tollefson, President and CEO, Chamber of Commerce of Hawaii (Chair, Oahu Workforce Investment Board)
4. Leslie Wilkins Program Director, Maui Economic Development Board (Chair, Maui Workforce Investment Board)

5. Alfred Lardizabal, Director, Government and Community Relations Laborers Union Local 368
6. Harold McDermott, Assistant Training Coordinator Plumbers and Fitters Union Local 675
7. Paul Richards, Executive Director, Native Hawaiian Education Council
8. Mr. Alan Arakawa, Mayor, County of Maui
9. Mr. Bernard Carvalho, Mayor, County of Kauai

As noted in a prior section, the WDC is the aligning entity of Hawaii's workforce development infrastructure. The majority of state and county agencies that directly control the state and federally funded workforce programs are all members of the WDC. Additionally, the WDC has the state mandated statutory responsibility to continuously identify workforce challenges and develop solutions to targeted industry workforce challenges.

STATE BOARD

The State Operational Plan must describe how the SWIB effectively coordinates and aligns the resources and policies of all the programs included in the plan, and specifically, must include the following items related to the SWIB:

1. Collaboration

1. How the board collaborated in the development of the plan, and how it will collaborate in carrying out the functions described in WIA Section 111(d). (WIA Sections 111(a), (b), (d), 112(b)(1); 20 CFR 661.205.)

With instructions delivered on creating a new five-year plan, the WDC created a number of committees to address specific questions, as well as address wider issues such as overall organization and structure of the current state workforce system. WDC members from government entities, private industry and educational entities were named to these committees, with a charge to draft the state plan and present it to the full Council for approval prior to the deadline of September 15, 2012.

Interaction of ideas from committee members was done in the form of multiple meetings. Along with this, a web portal was created for members to read and comment on the drafting of the state plan in real time. The web portal at <http://dlir.state.hi.us/labor/wdc/stateplan2012/> utilized the Google Docs platform to allow members to both read and provide comments on the state plan during the drafting stage. This website also allowed the general public to read and make comments on the plan.

The WDC, as the authorized Statewide Workforce Investment Board, will collaborate and assist in overseeing the workforce development partners in both local and state government (education and government entities) to implement the provisions of the plan.

The WDC will review and approve plans, as well as make recommendations regarding the annual budgets for WIA (including Rapid Response), Wagner-Peyser, and Trade Adjustment Act at the state and local levels to avoid duplication and ensure that coordination of activities is happening for the One-Stop Center programs.

2. Vocational Rehabilitation

2. How the SWIB member who represents Vocational Rehabilitation (VR) will effectively represent the interests, needs, and priorities of the VR program and how the employment needs of individuals with disabilities in the state will be addressed. (Only applicable to states which: (1) do not have the state VR agency director on its SWIB; or (2) in cases where the state uses an alternative entity as its SWIB, that entity does not provide for representative membership by individuals in these categories as required by WIA sec. 111(b), (WIA Sections 111(b)(1), 111 (e), 112(b)(8)(A)(iii), W-P Section 8(b), Rehabilitation Act Section 101(a)(2)(B), 20 CFR 661.200(i)(3), 661.205(b)(1), 661.210(c).)

The WDC does not have a member who specifically represents Vocational Rehabilitation (VR). However, a member of the WDC is appointed to the State Rehabilitation Council (SRC) which guides the state's VR. The current 2012 SRC appointee is Roland Prieto. By participating in both councils and coordinating information between the two, the appointee is able to bring information about the VR program to the WDC and effectively represents the interests, needs, and priorities of the VR program on the WDC.

Additionally, the state is currently leveraging funds from a USDOL discretionary grant, the Disability Employment Initiative (DEI), to set up a long term partnership between VR and the state workforce system, as well as create local partnerships between the one-stops and disability related agencies in selected counties. A current group in Hilo, called Workforce Solutions, has been active for four years and has over a dozen members. Under the DEI grant, additional Workforce Solutions groups will be created as a reflection of the group in Hilo. The grant aims to gain enough revenue from a program called "Ticket to Work" that these efforts will become sustainable and will grow to reach all counties in the state following the end of the grant in 2014. DEI efforts will help address employment needs of individuals with disabilities with an overall goal of improving the educational and employment opportunities and outcomes of adults with disabilities to help members of this population find a path into the middle class.

3. Local Areas

The State Operational Plan must also describe the WIA title I local workforce investment areas in the state, including:

An identification of local workforce investment areas designated in the state, and the process used for designating local areas. (WIA Sections 111(d)(4), 112(b)(5), and 116(a), 20 CFR 661.205(d), 661.250-.270.)

The State of Hawaii consists of four local workforce investment areas that follow the separation of the along the four county designations. They include:

1. The City and County of Honolulu;
2. The County of Maui
3. The County of Hawaii
4. The County of Kauai

In January of 1999, the WDC designated these areas utilizing the following criteria:

1. The smallest are for federal Labor Market Information (“LMI”) data is the county level. State LMI data is collected for the islands and the counties, but is not available for sub-areas.
2. On the neighbor islands, the State’s community college system conforms with county jurisdictions. Oahu has four community colleges, with each campus assigned as the lead for subject areas, such that cumulatively, they serve the entire county.
3. The State’s public school districts are county-wide on the neighbor islands. Oahu has four Department of Education districts.
4. An area with too small a population would have difficulty filling and financially supporting the large local boards mandated by the applicable federal legislation. It would also likely receive insufficient funds to run programs. Correspondingly, combining counties or parts of counties would mean additional coordination between Mayors.
5. Hawaii County, which has the largest geographical area and different demographics between east-and west-sides, has government agencies and services in both East and West Hawaii which serve the single county.
6. The counties are well-established political divisions of Hawaii.

The WDC consulted with the Mayors of the respective counties at that time and it was agreed that the counties were the most appropriate designations. Further, the City and County of Honolulu meets the criteria for automatic designation, because of its population size. In March 1999 the Governor designated the four counties as workforce investment areas.

At this time the State Plan does not call for re-designation of the local areas. However, current federal restrictions on the amount of funds the state may withhold from the Governor’s Reserve may force the state to seek re-designating the state as a single statewide local workforce investment board. The current five (5%) restriction does not adequately provide enough funding for the state to effectively administer the WIA. The state continues to seek to resolve this funding issue to ensure that service delivery of employment services and job training to Hawaii’s residents can be carried out effectively and efficiently.

The designation of intrastate regions and interstate regions, as defined in 20 CFR 661.290, and their corresponding performance measures. For interstate regions, describe the roles of the respective governors, and state and local workforce investment boards. (WIA Section 116(c).)

Not applicable.

States may also discuss other types of regional structures here.

Not applicable.

Describe the State's allocation formula for dislocated worker funds under §133(b)(2)(B). [Ref: WIA §133(b)(2)(B)]

Allocation Formula and Process

The State of Hawaii will use the six factors specified in the Act (as shown on the chart below) for allocating funds for the Dislocated Worker Program. The WDC determined that there were no other factors for which data was available that would add significant value to the formula.

The factor, the way that factor is defined in the state plan and the formula is presented in the chart below:

Allocation Factor	Weight Assigned In Formula
Insured Unemployed	0.1667
Total Unemployed	0.1667
Plant Closing/Mass Layoff	0.1667
Farmer/Rancher Data	0.1667
Long-Term Unemployed	0.1667
Declining Industries	0.1667
Total	1.0000

The State Plan does not amend the weight assigned to the formula, nor does it add additional factors. However, the State Plan will require that from Program Year 13, the method and numbers used in the weighting process will be changed.

4. Operating Systems and Policies Supporting the State's Strategies: The State Operational Plan must describe:

State operating systems that support coordinated implementation of state strategies (e.g. labor market information systems, data systems, communication systems, etc.). (WIA Section 112(b)(8)(A).)

Hawaii's One-Stop Job Centers and WIA Youth Programs use HireNet Hawaii for common intake, case management, statewide labor exchange, and reporting for different programs. HireNet Hawaii includes web-based self-service features that facilitate job searches, career exploration, job matching, job postings, and skills assessment for employers and job applicants. Case managers also have access to these tools, and they have the added capability of viewing services provided to an individual within their local area. This reduces duplication and allows for more effective coordination of services among providers.

Self-service resource rooms available in each One-Stop local office include computers with internet access and shortcuts to other web-based job search and recruitment tools, labor

market information, and career exploration. The State and all the counties have separate fiscal management systems.

State policies that support the coordinated implementation of the state's strategies. (WIA Section 112(b)(8)(A)).

The State recognizes that integration of Hawaii's One-Stop Centers to provide seamless service delivery to participants and employers is dependent upon the various State, county, and non-profit agencies agreeing to shared goals, information sharing, cost sharing, and committing to a coordinated effort to achieving them.

To that end, the State establishes the following guidelines/goals:

- Services are delivered “seamlessly” so that participants are unaware that the services provided at the One-Stop are being delivered by multiple agencies and through multiple funding streams.
- Comprehensive One-Stop Centers will provide the full range of services available through designated One-Stop partner programs.
- Comprehensive One-Stop Centers will serve as a primary location for employers and job seekers where they receive service provided in a seamless, integrated and efficient manner.
- One Stop Centers are capable of connecting job seekers to the services they need to address their skills gaps: All work-related programs and services are either offered on-site or services are easily accessible through the One-Stop Centers.
- Local employers and employer organizations are active partners in the improvement of the local One-Stops.

Local area plans will also indicate how the One Stops will serve employment, re-employment, and training needs of unemployment compensation claimants; the long-term unemployed; the under-employed; dislocated workers (including trade-impacted dislocated workers and displaced homemakers); low-income individuals (including recipients of public assistance); migrant and seasonal farmworkers; veterans; individuals with limited English proficiency; homeless individuals; ex-offenders; older workers; individuals training for non-traditional employment; and individuals with multiple challenges to employment.

To achieve this, local One-Stop Centers are required to move to a fully integrated platform and encouraged to leverage additional local resources as well. This includes exploring centralizing services through single locations so overhead costs are reduced. It will also include moving the provision of services through local centers toward functional integration, wherein customers from multiple programs are served together in common and fundamental processes such as workshops, assessment and career planning, job search/development and case management activities, allowing WIA Title IB programs to be just one of several sources supporting these critical activities.

Acknowledging the challenges identified earlier regarding the coordination of the WIA One Stop mandated partners in creating a centralized, integrated, and seamless delivery

system the Local WIBs will detail in their local plans the steps they took with each of the mandated partners to achieve this goal and the specific barriers.

The WDC will compile these specific barriers and transmit them to the Governor, the Mayor of the identified local workforce investment area, and the respective agencies for their review and comment. The WDC will work to facilitate resolution, if possible.

Additionally, the WDC will review and make recommendations regarding annual spending plans of WIA (Including Rapid response and TAA) and Wagner-Peyser at both the State and local area level to ensure coordination and non-duplication of efforts. This will include reviewing and possibly reallocating carry over funds (from both state and local area level) from prior program years. This will ensure that limited resources are utilized in the most efficient manner.

How the delivery of services to jobseeker customers and employer customers, including Registered Apprenticeship sponsors, will be aligned across programs. (WIA Sections 111(d)(2), 112(b)(8).)

The alignment of services across programs was discussed in the preceding item. With regard to apprenticeship programs, the DLIR has a unique position in performing dual roles as the State Administrative Entity for WIA programs and the State Apprenticeship Agency to administer apprenticeship programs in the State of Hawaii. The dual roles facilitate the sharing of apprenticeship information across programs. As the lead for carrying out State Apprenticeship program responsibilities, the WDD registers apprenticeship programs and apprentices, reports to the USDOL, monitors programs, and provides staff support to the State Apprenticeship Council, which is an advisory body to the DLIR Director regarding apprenticeship programs.

Notices of recruitments for apprentices are shared with One-Stop Centers so they can refer suitable individuals to apprenticeship sponsors; lists of active apprenticeship programs and their minimum requirements are maintained on the DLIR WDD website; and coordination between One-Stop Center services and apprenticeship programs are supported to the extent possible. All One-Stop Centers are familiar with the major apprenticeship sponsors, and the sponsors have regularly participated in local Job Fairs or Construction Expos. The ARRA SESP grant also encouraged additional linkages between One-Stop Centers and apprenticeship programs by fostering referrals from One-Stop referrals to specific apprenticeship programs that became Eligible Training Providers (ETP) for the adult and dislocated worker programs.

To further stimulate discussion and networking among apprenticeship sponsors and One-Stop Center providers, the WDD coordinated a “Green Bus Tour” of construction apprenticeship.

How the state will provide WIA rapid response activities to dislocated workers from funds reserved under Section 133(a)(2), including designating a state rapid response unit. (WIA Sections 112(b)(17)(A)(ii), 133(a)(2), 134(a)(2)(A).)

Dislocated Worker Unit:

The DLIR is the State Dislocated Worker unit (DWU), with the WDD as the lead agency for the DWU and Rapid Response. Based on anticipated workforce needs and lay-off aversion strategies, up to 25% will be set aside from the Dislocated Worker Program for Rapid Response activities.

Local Area MOUs:

Local area MOUs that are submitted with their Local Area Plans will include an identification of the local area Rapid Response Coordinator, and a description of Rapid Response responsibilities for that area to ensure coordination of services during Rapid Response.

Notice of Closings/Layoffs:

Employers will send notices of closings and layoffs under the federal WARN Act and a state plant closing law to the DLIR Director. Upon receipt, the Director's Office will forward them to WDD, DLIR Unemployment Insurance Division, and DLIR Research and Statistics Office. Companies also will transmit a notice required under WARN to the Mayor of the county in which a closing will occur. The attached Rapid Response Chart displays the flow of information and services.

Contact:

WDD will immediately initiate contact with the affected employer to obtain details about the impending event and share information about One-Stop Center services for affected workers. If a union represents affected workers, a labor-management committee will be formed, if feasible, to jointly assess needs and implement Rapid Response services, with the understanding that services will not be a forum for any collective bargaining issues. Information about Trade Adjustment Act (TAA) benefits and qualifying conditions will be provided to the employer/Labor-Management Committee, and the employer or union will be encouraged to file a TAA petition for employees who may be eligible for TAA. If they do not file a petition, the One-Stop Center or WDD will submit one to ensure that eligible workers receive TAA benefits.

Rapid Response Team:

If the number of workers to be laid off is significant, WDD will mobilize a Rapid Response Team for deployment at the employer's site or another site that is convenient for affected workers. Core members will consist of the following:

- DLIR Unemployment Insurance Division
- One-Stop Center Operator
- Workforce Development Division

Depending on needs of the workers, other Rapid Response Team members will include, but not be limited to, the following:

- State Department of Human Services
- Training Providers
- Banks/Credit Unions
- Consumer Credit Counseling Center
- Community Based Organizations
- State Department of Health

Group orientations on One-Stop Center services will be planned and scheduled with the employer or Labor-Management Committee, during or around work hours and prior to lay-offs, to the extent possible.

Topics to be covered during Rapid Response group sessions will be customized for each layoff and generally will include the topics below. Approaches will depend on type of employer and educational and skill levels of employees.

- Unemployment Insurance benefits and eligibility requirements;
- Work registration requirements and jobs listed in HireNet Hawaii;
- Labor market information and trends;
- Job counseling and job training programs, including remedial/literacy education;
- Priority of services and additional services for veterans;
- TAA benefits (if eligible);
- Financial assistance such as welfare, Supplemental Nutrition Assistance Program (formerly called Food Stamps), child care subsidies, and subsidized health insurance; and
- Survey of training needs. (This survey will be used to determine the kinds of services needed and projected costs, which will help plan training and other services and assist in determining whether formula funds are sufficient or WIA National Emergency Grant funds should be requested.)

Other Rapid Response topics, such as the following, will be included for group sessions, as appropriate:

- COBRA;
- Credit counseling and loan assistance;
- Grief/trauma counseling, or other mental health services;

- Housing assistance, and/or
- Social services provided by Community Based Organizations.

Because of the breadth of topics covered during Rapid Response sessions, only those staff members who are experienced and knowledgeable will participate as presenters.

Services for individuals, such as filing for UI (after layoff), registration in HireNet Hawaii, and applying for financial assistance may be provided immediately following group sessions, if workers need assistance for these services. Job fairs also will be scheduled, as appropriate, specifically for the laid-off workers in conjunction with, or shortly after Rapid Response sessions. In addition, job search workshops and literacy or skills training may be provided for the workers to prepare them for the job market prior to or shortly after layoff.

Layoff Aversion and Promotion of Rapid Response:

In addition to reacting to layoff notices, Rapid Response will include business service teams to expand the rapid response infrastructure in each local area so that Rapid Response becomes pro-active and on-going to serve businesses and their workers more effectively. Prior to layoffs occurring, during which businesses are in crisis management mode, closer working relationships with local businesses will be developed to support workforce needs of employers in a more consistent and comprehensive manner through their cycles of growth and decline. More services and tools of the One-Stop system will be made available to businesses on a continuing basis through an aggressive outreach effort, and businesses will make better use of these services to improve the capacity of their workforce. These strategies give businesses more opportunities to avert layoffs by sustaining a resilient and competitive workforce. One-Stop staff will be trained to detect early warning signs of possible financial difficulties of businesses and provide advance assistance and information to ease any difficulties should a plant closure occur. The improved collaborations with businesses will enable One-Stop staff to quickly recognize re-employment opportunities for laid off workers. In addition, stronger collaborations with more partners will be developed to expand and better coordinate the network of resources for more assistance toward employers and workers.

Common data-collection and reporting processes used for all programs and activities present in One-Stop Career Centers. (WIA Section 112(b)(8).)

The State and local areas are jointly responsible for ensuring that there is an effective common data system and reporting process. HireNet Hawaii provides a common database, case management, labor exchange, and participant reporting system for WIA, Wagner Peyser, and Veteran Programs. The participant data and reporting for Trade Adjustment Act is also incorporated into HireNet Hawaii. However, other reporting systems could be used by the individual counties if they so elect.

The DLIR's WDD, in partnership with the LWIBs, will explore the expansion of HireNet Hawaii, or any successor, for utilization by the other mandated partners. The local area plans will detail those attempts and identify those mandated partners unable to utilize HireNet Hawaii as the common data collection and reporting system and the respective barriers.

State performance accountability system developed for workforce investment activities to be carried out through the statewide workforce investment system. (WIA Sections 111(d)(2), (d)(6)-(8), 112(b)(3), 136; W-P Section 15; 20 CFR 666.205(f)-(h), 661.220(c), and 20 CRF part 666.)

The WDD manages HireNet Hawaii, which was developed and continues to be maintained by a contracted vendor. A statewide MIS workgroup, composed of representatives and managers from each local area, is responsible for reporting issues or questions regarding HireNet Hawaii to the WDD, providing input on desired enhancements or changes to HireNet Hawaii. The MIS workgroup also communicates updates or changes to the system to other staff. The WDD Administrative staff tracks each concern and inquiry, and ensures that all issues are addressed and resolved either by the vendor, WDD, local area, or any combination of these entities. Recommendations for policies and procedures regarding data entry, data revision, reports, assistance to public users, or other facets of data collection and use of data are solicited from and provided by the MIS workgroup or other users and finalized by the WDD. Training for all staff users is provided by the vendor whenever a new version of the software is installed.

Participant performance in the WIA Adult, Dislocated Worker, and Youth Programs; Wagner-Peyser programs, Disabled Veterans Outreach Program, Local Veterans Employment Representative, Trade Adjustment Act, and WIA National Emergency Grants are measured through data stored in HireNet Hawaii. All local area staff and their providers are responsible to accurately enter data into HireNet Hawaii in a timely manner.

All quarterly and annual reports required by the federal government are generated from HireNet Hawaii data and electronically transmitted to the USDOL. The WDD extracts information on employment status and average earnings for all exiters from UI wage records. Local area staff also enters supplementary information on jobs obtained by participants. At the end of each quarter and year, the WDD transmits to each county their performance reports in the same format as the federal statewide report. Counties and LWIBs are responsible to review their performance at least on a quarterly basis and take any necessary corrective actions to resolve deficiencies. A series of management reports are also produced by County before quarterly reports and annual reports are created. These management reports display the names and characteristics of participants who exited the program, services received that count towards performance outcomes (such as Dislocated Worker and Adult training and youth credentials), and indication of employment status. This information acts as a tickler file for the counties to follow up on these participants and assist them towards achieving positive outcomes before deadlines elapse for these outcomes. Staff users can also generate HireNet Hawaii reports, filtered by different criteria, dates, and target groups, to review different aspects of performance prior to outcomes being reported.”

The WDD and WDC receive and review local area and statewide numerical reports. The counties also provide a narrative analysis of performance to the WDC with a copy of their numerical quarterly reports. In consultation with the LWIBs, the WDD and WDC ensure that appropriate corrective actions are taken to address performance gaps.

State strategies for using quarterly wage record information to measure the progress on state and local performance measures, including identification of which entities may have access to wage record information. (WIA Section 136(f)(2), 20 CFR 666.150)

Currently, the DLIR's WDD (current service provider for WIA Title I and Title III programs) has an agreement with the DLIR's Unemployment Insurance Division (UI) to access wage record information for data validation purposes for performance measures, as well as identification of long term unemployed that require additional services. The DLIR's WDD communicates performance to the LWIBs on a quarterly basis.

Currently, the Oahu LWIB (OWIB) does not have access to wage record information. However, the WDC is currently assisting the OWIB in drafting and executing a data sharing agreement with UI for performance data for WIA Title I activities.

Workforce Longitudinal Data System

Additionally, the WDC applied for and was awarded a \$999,200 award from USDOL for a joint partnership with the DLIR's Research and Statistics Division to create a system that links UI data to workforce outcomes of individual education and training programs. This workforce longitudinal data system (WorLDS) will permit the tracking of training participants through various programs by the Workforce Development Division apprenticeship, Department of Human Service, and other non-profit organizations and what kind of jobs these trainees secure upon entering the workforce.

In leveraging this discretionary grant, the State will create a system that will ensure that mandated One Stop partners are provided accurate and timely performance outcomes. (Mandated partners that are private or private non-profit entities are currently prohibited from being provided wage record data per state interpretation of federal regulations.)

5. Services to State Target Populations

The State Operational Plan must describe how all the programs described in the plan will work together to ensure that customers who need a broad range of services receive them. This is an opportunity for the state to describe how One-Stop Career Center services will address more specific needs of targeted sub-populations identified in the economic analysis. The State Operational Plan must describe how the state will:

Serve employment, re-employment, and training needs of unemployment compensation claimants; the long-term unemployed; the under-employed; dislocated workers (including trade-impacted dislocated workers and displaced homemakers); low-income individuals (including recipients of public assistance); migrant and seasonal farmworkers; veterans; individuals with limited English proficiency; homeless individuals; ex-offenders; older workers; individuals training for nontraditional employment; and individuals with multiple challenges to employment. (WIA Sections 112(b)(17)(A), (b)(17)(B), (b)(8)(A), 20 CFR 652.207, 663.600-.640, 29 CFR part 37.)

In a One-Stop environment, members of special populations have access to all of the core, intensive and training services and activities provided by the One-Stop partners. Staff stationed in the offices operated by One-Stop partners as well as those co-located in One-

Stop Job Centers are knowledgeable of programs operated by all agencies in the workforce development system. As an individual's special needs, barriers or circumstances are identified, staff is able to navigate them to programs and services which will provide the assistance required. Referral procedures have been developed to expedite the process of coordinating these programs and services.

Several partners co-locate staff in the different One-Stop Centers on an intermittent, part-time or full-time basis depending on the Center. It is expected that the partners in each Workforce Investment Area coordinate services provided by the required and optional agencies participating in the workforce delivery system in order to ensure a seamless delivery and avoid duplication.

In addition to the services available in One-Stop Centers to all customers, a description of specific services to target populations follows.

Unemployment Insurance Claimants

All Unemployment Insurance (UI) claimants in Hawaii are required to register, enter essential background information, and post an on-line resume in HireNet Hawaii in order to receive UI benefits. These requirements assist claimants with their job search efforts and allow employers to search for potential employees.

Wagner-Peyser and other One-Stop Center staff provides intensive individual services to UI claimants identified as participants in the Worker Profiling and Re-employment Services ("WPRS") program. Case managers are assigned to assist each profiled claimant in identifying appropriate courses of action to facilitate his/her return to the workforce. Re-employment services provided include assessment, counseling, job referral and placement, testing, labor market information, job search workshops, and referral to job training. WDD monitors the claimant's progress and participation during the period covered by the Individual Service Plan ("ISP"). Any potential availability for work issue, such as failure to participate in an agreed upon activity, is reported to UI staff. If the claimant is found to be "not in compliance" with the requirements of the WPRS program, she/he will be denied benefits for that week.

DLIR WDD also continues to implement the Reemployment and Eligibility Assessment Initiative program in One-Stop Centers for the Unemployment Insurance Division. This program began in March 2005 when USDOL awarded grant funds to 21 states to pilot this new program. The purpose of the program is to shorten the duration of UI claims and expedite the claimants' return to work. The program mandates randomly selected claimants to participate as a condition of their eligibility for Unemployment Insurance benefits. Mandated activities include learning about the job market, creating a work-search plan, and a staff review of job search efforts. To date, Hawaii's REA has assisted over 36,000 UI claimants with their reemployment efforts.

Long-Term Unemployed

WDD staff works closely with UI Division to identify UI claimants who are long-term unemployed in order to provide them with services available through the One-Stop. These services include workshops to about labor market information, assessment of their skills and referral to training, as needed.

Early intervention services through the Reemployment and Eligibility Assessment program is also available to reduce claimants becoming long-term unemployed.

Under-Employed

Persons identified as underemployed, working part-time but seeking full time employment or who is working in employment not commensurate with the demonstrated level of educational and/or skill achievement, can access any of the services under WIA, Wagner-Peyser and appropriate partner programs. Under WIA, Adults and Dislocated Workers who are assessed as needing intensive services to obtain or retain employment that leads to self-sufficiency may be provided services and training in order to assist them in obtaining full time employment or higher wages. The State has determined self-sufficiency as employment that pays at least 225% of the Lower Living Standard Income Level. For Dislocated Workers, self-sufficiency may be considered employment that pays at least 90% of the layoff wage.

Dislocated Workers

As mandatory partners in the One-Stop system, DLIR's Unemployment Insurance Division (UI) and WDD, who is the administrative entity for Wagner-Peyser programs, work in concert to identify dislocated workers and provide appropriate services to become re-employed.

Dislocated Workers are identified through notices of layoffs or closings under the federal Worker Adjustment Retraining Notification and the State's Plant Closing Notification law, through jobseekers registered in HireNet Hawaii, Job Fairs, rapid response efforts, or other means. As recently unemployed persons, they are motivated to return to work, but they may be unfamiliar with the current labor market, new skills required, or job search techniques, including the use of social networks and Internet search engines. Services provided include assessment, counseling, provision of information on employment statistics, training providers, and support services, assistance in filing for unemployment benefits, job search and placement assistance, and referral to intensive services and training as appropriate.

Displaced Homemakers

Displaced Homemakers are identified primarily through referrals from state agencies such as the Department of Human Services and the Judiciary system, and from community agencies such as the YWCA and other organizations concerned with women and family issues. Although all One-Stop services are available to this group, displaced homemakers often have limited workplace experiences and financial and emotional issues and generally need intensive services, training and a wide variety of support services. Services under WIA are coordinated with programs for displaced homemakers at the State's community college system through Career and Technical Education grant funding.

Trade Adjustment Act

Whenever One-Stop staff learns about impending layoffs, they will contact employers and provide information about Trade Adjustment Act (TAA) benefits and offer One-Stop Center services. A preliminary assessment will be made with the employer regarding the eligibility of affected workers for Trade Adjustment Act (TAA) benefits and staff will assist in filing a TAA petition. One-Stop staff knowledgeable about WIA programs and TAA programs will coordinate designing and implementation of services to ensure successful outcomes for individuals who are potentially trade-affected. These services include an assessment of the needs of the affected workers to identify the workers' skill levels, interests, and abilities and provision of basic reemployment services available at One-Stop Centers.

Before the TAA petition is certified, trade-impacted workers will receive services under the WIA programs for which they are eligible and provided with reemployment, training, and supportive services, as appropriate. If and when the TAA petition is certified, services generally will be supported by the TAA grant, in coordination with WIA services, if necessary.

Low-Income Individuals

The State has determined that unless the funds allocated to a local area for WIA Adult employment and training activities are sufficient to provide adequate services to at least 25% of that area's adult poverty population, the funds will be considered limited. Currently, the funds are considered limited in all the local areas, therefore, priority of service will be given to recipients of public assistance and those meeting the definition of low-income.

They are identified when accessing One-Stop core services as well as through referrals from agencies serving this target population. Public assistance recipients are identified through coordination with the Department of Human Services (DHS), which administers the Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP) and other federal and state-funded assistance programs. The Work Opportunity Tax Credit is also available to employers as an inducement to hire this target group.

In addition to training, supportive services such as work clothes, transportation assistance, housing and child care may be provided. Where possible, non-WIA funding is sought to provide other services.

Migrant and Seasonal Farmworkers

Services to Migrant and Seasonal Farmworkers (MSFW) such as counseling, testing, and referral to jobs and training opportunities are provided on a basis that is qualitatively and quantitatively proportionate to services afforded non-MSFW individuals.

WDD and Maui Economic Opportunity (MEO) are partners in each county and coordinate services to the MSFW population. MEO currently is the approved statewide operator of the WIA Section 167, Migrant and Seasonal Farm Worker Program. See Section IV, item 6. For more information about services to MSFWs.

A veteran of the Armed Services is considered a valued member of the civilian workforce because he or she has the skills, training, and character to meet the demands of the workplace environment. WDD offers a variety of services that are tailored specifically for veterans to find not only jobs, but training to help transfer the skills acquired in the military to the requisite job skills in the civilian workforce. Through its One-Stop Career Centers the WDD offers specialized employment and training services and priority of these services exclusively to eligible veterans under the Jobs for Veterans State Grants Program. Under this grant program, funds are allocated to the Workforce Development Division to support two types of staff positions:

Disabled Veterans' Outreach Program (DVOP) Specialists: These staff members provide intensive services to meet the employment needs of disabled veterans and other eligible veterans, with the maximum emphasis directed toward serving those who are economically or educationally disadvantaged, including homeless veterans, and veterans with barriers to employment.

Local Veterans' Employment Representatives (LVERs): These staff members conduct outreach to employers and engage in advocacy efforts with employer representatives to increase employment opportunities for veterans, encourage the hiring of disabled veterans, and assist veterans to gain and retain employment.

Priority of Service: One-Stop Centers are mandated to give veterans priority of service at each One-Stop Center, including use of resource room equipment, and access to staff assistance. Signs in each Center notify veterans of their priority and ask them to disclose their status to reception desks so that they may be served before other customers. Veterans also are accorded priority over non-veterans in WIA, SCSEP, TAA, Wagner-Wagner, and other programs, if they eligibility requirements for the applicable program. In HireNet Hawaii, its home page has a special section devoted to veterans, where veterans are notified of their preference over non-veterans. Resources for veterans also are found in that section.

Integration of Veteran Staff in One-Stop Centers: The DVOP and LVER staff are integral to the coordination of employment and training programs administered in One-Stop Centers and for success of veterans served. Local veterans service organizations and government agencies serving veterans partner with One-Stop service providers, e.g. the Homeless Veterans Reintegration Program, Veterans Workforce Investment Program, Vocational Rehabilitation and Employment Program, REALifelines Program, Transition Assistance Program, Department of Veteran Affairs Vocational and Rehabilitation Employment Program, State of Hawaii Office of Veterans Services, Veterans of Foreign Wars, Disabled American Veterans, and other veterans service organization. Similarly, veterans being served receive employment and training services offered at One-Stop Centers by Wagner-Peyser, WIA, TAA, and other programs. Limitations on veteran staff funding do not permit a full-time VETS presence at each Center. Therefore, VETS staff will coordinate with Center managers and WIA partners the development of a training curriculum to train managers and staff on the implementation of veteran program services and recurring legislative and policy changes to the program.

Persons with Limited English Proficiency

Translation services are available at the One-Stop Centers during interview and assessment to assist those individuals with limited English proficiency. A bi-lingual access line for telephone based interpreter services operated by Helping Hands Hawaii may also be utilized.

Training for English as a Second Language (ESL), GED and Adult Literacy is available at local adult education schools and community agencies. Many of these agencies are represented on the local area WIBS and coordinate services for these individuals.

Homeless

One-Stop staff continues to work with community agencies such as the Institute for Human Services, Salvation Army, and Goodwill to provide assistance to individuals meeting the definition of homeless under the Stuart McKinney Homeless Assistance Act. Many of the homeless have regular employment but are unable to find suitable and affordable rentals in Hawaii. Others have multiple barriers such as unemployment, mental, health, and domestic issues and chronic drug abuse. Supportive services such as monetary assistance, clothing, shelter, transportation are available through the One-Stops. Other activities are coordinated with partner programs to ensure a full spectrum of services available to the individuals.

Ex-Offenders

One-Stop Centers are available to respond to inquiries from offenders with general information on training and services and referrals to other agencies such as Salvation Army, Partners in Care, the Windward Homeless Coalition, Institute for Human Services, and the Department of Public Safety Laumaka Program. Information on the Work Opportunity Tax Credit and federal bonding are also provided as incentives to offer employers when ex-offenders conduct job search. A well-developed Going Home project in Hawaii County features strong collaborations among the State Judiciary, One-Stop Center, and service providers to facilitate inmates' transition from incarceration to civilian life. The City and County of Honolulu's Youth program, operated on the same premises as the One-Stop Center, uses a holistic approach in working with delinquent youth in coordination with Family Court, service providers, Department of Education, apprenticeship programs, and One-Stop services.

Older Individuals

One-Stop center staff is available to assist older individuals with intensive services and training. Also, as a mandatory One-Stop partner, the Senior Community Service Employment Program (SCSEP) which is administered by WDD, coordinates outreach, recruitment, services and training with the One-Stops. In the current labor market situation, many seniors choose to continue to work beyond their Social Security eligibility to supplement their benefits and care.

Training for Non Traditional Employment

Information on non-traditional employment is available at the One-Stop Centers and is provided during career counseling. In addition, DLIR, in its role as the state registration agency for registered apprenticeship programs, reviews and provides technical assistance to the workforce development community on selection procedures, and affirmative action plans to ensure opportunities for women in apprenticeship.

In 2011, WDD sponsored an Apprenticeship Tour on Oahu, inviting educators, WIB and State Council members, WIA administrators and program operators to visit training programs in the community college and three union sites to view first-hand new programs utilizing state-of-the-art technology and emphasis on energy conservation and sustainability. The intent of this activity was to increase knowledge and awareness of available training and occupations and apprenticeship programs.

Persons with Multiple Challenges

Each self-service resource room located in the One Stops features a minimum of one accessible computer terminal equipped with assistive technology software designed to increase accessibility to all One Stop customers, including individuals with multiple challenges and individuals with disabilities. Adaptive materials developed under the Disability Program Navigator (DPN) program have been shared with the One Stops throughout the State.

In addition, One Stop Center staff and their partner staff have been provided training on a Universal Design Concept in the One Stop Centers. The training was funded by a grant awarded to DLIR WDD to help One-Stop Centers identify and address strengths and barriers of One-Stop services for customers with multiple challenges. Another training session assisted One-Stop Center staff in identifying various resources that are available online and within their communities so that One-Stop Centers and their partners can develop a Community Resource Guide for use by both staff and customers. The Guide would expand the network of providers within the One-Stop Center system and empower customers to search for assistance on their own or with staff assistance. The Disability Employment Initiative grant also is building greater capacity to serve persons with disabilities as described in Section IV, item 2 of this Plan. These efforts should build the capacity of One-Stop Centers to serve persons with multiple challenges more effectively, whether the needs are for employment re-employment, training, or other services.

Serve the employment and training needs of individuals with disabilities. The discussion must include the state's long-term strategy to improve services to and employment outcomes of individuals with disabilities, including plans for the promotion and development of employment opportunities, job counseling, and placement for individuals with disabilities. (W-P Section 8(b); WIA Section 112(b)(17)(A)(iv), 20 CFR 663.230, 663.640, 667.275(a).)

The WDC recognizes the disparity between employment outcomes of individuals with disabilities versus those without disabilities. National and statewide statistics support this finding, such as the 2010 U.S. Census showing that the national employment rate of working-

age people with disabilities was only 39.5 percent versus 79.9 percent for their peers without disabilities. Similarly, the 2010 U.S. Census also shows that in Hawaii, people with disabilities make up 11% yet are only 5% of the employed population.

Hawaii's WIA Title 1-B Report for Program Year 2010 shows that very few individuals with disabilities are accessing WIA services. Of a total of 1,862 participants served in Title 1-B WIA Programs in PY 2010, only four were reported to have a disability. Of these four, only two entered employment. Of these two, neither individual retained employment. While the low enrollment numbers could be attributed to WIA customers with disabilities simply not disclosing their disability, and therefore not being counted in this special population, the SWIB recognizes a strong need for improvement that, in 2011, led to DLIR applying for and winning a Disability Employment Initiative (DEI) grant.

Hawaii's DEI is a \$2.92M, 3-year grant jointly funded by the USDOL Employment and Training Administration (ETA) and the Office of Disability Employment Policy (ODEP). The Disability Employment Initiative (DEI) grant runs from October 1, 2011-September 30, 2014. DEI efforts will help address employment needs of individuals with disabilities with an overall goal of improving the educational and employment opportunities and outcomes of adults with disabilities to help members of this population find a path into the middle class.

The DEI will study best practices to increase the number of individuals with disabilities served in WIA and Wagner-Peyser programs and improve employment outcomes. Through random lottery selection administered by a USDOL contractor, this study focuses program funds on the counties of Maui and Hawaii. The DEI plans to promote and develop job opportunities for this population by focusing on five key strategies:

1. Integrated Resource Teams
2. Integrating Resources and Services, Blending and Braiding Funds, and Leveraging Resources
3. Customized Employment
4. Asset Development Strategies
5. Partnerships and Collaborations

Additional information about each of these strategies can be found at: www.dei-ideas.org.

These strategies are supported by Hawaii's unique DEI project design which establishes a statewide Ticket to Work Employment Network, creates staff positions that focus on job seeker and employer services, provides additional intensive services to interested individuals with disabilities through workshops in one-stops hosted by the University of Hawaii Center on Disability Studies, creates a flexible spending account to act as a "first dollar down" to leverage resources from partner agencies to better help individuals with disabilities gain and retain employment, and in general, improves disability related One-Stop Center partnerships in the community.

One Disability Resource Coordinator in each selected county will focus on offering workforce and disability related staff and community organization training, developing a local Ticket to Work infrastructure, and creating a collaborative group of disability related organizations called Workforce Solutions. By training all One-Stop staff to better serve individuals with disabilities, and by providing additional intensive services as needed, the One-Stops will offer a valuable service to improve job placement and employment outcomes.

Staff specifically focused on developing relationships with employers will also increase the promotion and development of employment opportunities for this population. One Business Relations Inclusion Coordinator in each selected DEI county will work with local employers to provide disability and employment related resources, create a sustainable local Business Leadership Network, and coordinate work experience opportunities for WIA and Wagner-Peyser participants with disabilities. By providing support to employers and increasing participant skills through work experience opportunities, the DEI will be both promoting and developing employment opportunities and retention for individuals with disabilities.

The WDC's long-term goal for this grant is for one-stops in the selected counties to become part of a statewide Ticket to Work Employment Network which will provide a future revenue stream to sustain DEI efforts after the grant funds end in 2014. Following the end of the grant, these unrestricted Ticket to Work funds are planned to be used to continue DEI efforts in the selected counties while sharing best practices throughout the state to truly make the DEI a long-term statewide effort with a local and statewide workforce infrastructure that supports positive educational and employment outcomes for individuals with disabilities.

Deliver comprehensive services for eligible youth, particularly youth with significant barriers to employment. (WIA Section 112(b)(18)(A).) The discussion must include how the state coordinates youth activities, including coordination of WIA Youth activities with the services provided by the Job Corps program in the state. Job Corps services include outreach and admissions, center operations, and career placement and transition services. (WIA Sections 112(b)(18)(C), 129.)

Hawaii supports the federal vision of the neediest youth overcoming the most difficult barriers to their becoming contributing members of society. The State's strategy for providing comprehensive, integrated services to eligible youth is to ask that LWIBs, as part of their local planning process, to prepare a comprehensive youth plan that (a) identifies the percentage of youth funds allocated for out-of-school, older youth, (b) concentrates on the neediest youth described at the end of this section, and (c) formalizes coordination of local agencies, which could include:

1. Adult Education and Family Literacy,
2. Vocational Rehabilitation,
3. Department of Education, Special Education Services Branch,
4. Community Services Block Grant recipients,
5. Housing & Urban Development employment and training programs,
6. Job Corps,
7. State Office of Youth Services,
8. Family Court,
9. Department of Human Services -Foster Care,
10. TANF (Temporary Assistance for Needy Families),
11. ALU LIKE, Inc.,
12. faith-based organizations and community-based organizations,
13. University of Hawaii Community College System, and
14. State of Hawaii, Department of Defense (Youth Challenge and About Face).

Items covered in an interagency agreement *will* include a description of each agency's role in achieving the following for youth with disabilities, Youth in and Aging out of Foster Care,

Youth Offenders, Children of Incarcerated Parents, Homeless Youth, Pregnant and Parenting Teens:

1. Partners' recruitment of out-of-school youth from housing projects, welfare families, entry level jobs, and malls,
2. Delivery of appropriate services to ameliorate risks,
3. GED test preparation,
4. Employment preparation,
5. Post-secondary education preparation,
6. Access to financial resources and support services to assist transition into post-secondary education, and
7. Follow up with mentoring and course correction.

Youth Corp Coordination

See section entitled: "State policies that support the coordinated implementation of the state's strategies. (WIA Section 112(b)(8)(A)."

6. Wagner-Peyser Agricultural Outreach

Each state workforce agency shall operate an outreach program in order to locate and to contact migrant and seasonal farmworkers (MSFWs) who are not being reached by the normal intake activities conducted by the local offices. To this end, each state agency must include in its State Operational Plan an annual agricultural outreach plan, setting forth numerical goals, policies, and objectives.

Regulations at 20 CFR 653.107 require that the outreach plan include the following elements:

Assessment of need

i. A review of the previous year's agricultural activity in the State

According to the Hawaii Department of Agriculture, farm gate revenues for 2010 totaled \$689.6 million, up 7 percent from the previous year. According to the Economic Research Service, USDA 2007 Census of Agriculture (conducted every five years), the number of farms operating in Hawaii was 5,100 on approximately 1,121,000 acres. This equates to an average farm size of 220 acres.

In 2010, the average wage paid to all hired workers was estimated at \$14.24 per hour. This is a 6 percent increase from a year earlier. The combined average wage for field and livestock workers was estimated at \$12.01 per hour, which was up \$.56 per hour from 2009. The state minimum wage is \$7.25 per hour. The USDA reported that Hawaii's hired agricultural work force was 6,400 workers, up 3 percent from 2009.

The following are the acreage and yield statistics of selected labor intensive crops as reported by the U.S. Department of Agriculture National Agricultural Statistics Service.

Sugarcane for sugar harvest totaled 15.5 acres, which yielded 11.1 tons per acre at a total value of \$69.8 million in 2010. Although the total harvest was down 24 percent, the price of sugar rose 76 percent, the highest since 1980.

Macadamia Nuts harvest totaled 15,000 acres, which yielded an average of 3,000 pounds per acre. This was a 13-percent increase over the 2010-2011 season. More rainfall at timely intervals and a long flowering season helped improve production this season as compared to last season's drought conditions. However, volcanic emissions are still negatively impacting crop yields.

Coffee harvest totaled 6,300 acres, which yielded 1,400 pounds per acre. Major crop activity is present on four of the islands with the most significant production occurring in the South Kona district of the island of Hawaii. Total farm revenues generated was an estimated \$33.4 million, 7 percent higher than the prior year's \$31.3 million.

Vegetables and Melons harvest totaled 2,705 acres, which yielded 39.6 million pounds, up 22 percent from 2009. The top volume-producing vegetable crop in 2010 was sweet potatoes which was up 52 percent above the previous year. Head cabbage was the second largest volume crop, followed by Chinese cabbage.

The number of agriculture openings and MFSWs could increase slightly should increases in crop production continue their trend.

THE NUMBER OF CROP FARMS IN HAWAII IN 2010

Sugarcane	1
Pineapple	40
Vegetables/Melons	540
Fruits excluding pineapples	1,600
Coffee.	830
Macadamia Nuts	570
Taro	115
Flowers, nursery products.	970

ii. *A review of the previous year's MSFW activity in the State*

At the end of the third quarter of Program Year 2011 (PY 11), WDD and its OneStop Partners registered 88 new MSFW applicants. Through a combination of outreach and applicant walk-in activities the local offices registered the following number of MSFW participants for the period April 1, 2011 through March 31, 2012.

LOCAL OFFICE	NUMBER OF REGISTRATIONS
Hilo	43
Honolulu	1

Kona	13
Lihue	17
Molokai	1
Wailuku	1
Waipahu.	1
Waianae.	1
TOTAL.	88

iii. Projected level of agricultural activity expected in the State in PY 2012

Agricultural activities in PY 2012 are expected to remain at a similar level like that of PY 2011. The seasonal drought conditions and the rising costs of fuel will continue to have a significant impact on economic activity statewide. Vog and ash fall from volcanic emissions may have serious detrimental effects on agricultural crops. All industries in the State economy will be affected in one form or another and it remains to be seen whether agriculture activity will flourish or be stymied.

iv. Projected number of MSFWs in the State in PY 2012

According to the 1993 Farmworker Enumeration study, there were 18,728 MSFWs in Hawaii. Should the national fuel cost crisis continue without major relief the State could potentially see an increase in the number of unemployed MSFW participants. The farmworker workforce could significantly diminish if the costs of agricultural operations rise in relationship to the costs of fuel. Employers may compensate for the increase in the cost of operations by reducing its most significant overhead costs, the workforce. Notwithstanding these events, producers of coffee, macadamia nuts, floral products, pineapple, and specialty crops will continue to be the major employers of migrant and seasonal workers.

v. Statement of the consideration given to the State Monitor Advocate's (SMA) recommendation as set forth in the annual summary developed under 653.108(t)

The State MSFW Monitor Advocate prepared this annual summary of services to MSFWs based on statistical data and his/her reviews and activities as set forth in these regulations for the State Administrator.

Proposed outreach activities

The plan for outreach activities to the agricultural community is consistent with that of the overall strategic plan articulated in the State Plan for Title IB of the WIA and the Wagner-Peyser Act. A high priority is to actively seek and contact MSFWs who are not reached through the One-Stop centers. Once contacted, WDD staff will provide information on the services available to MSFWs through WDD and other partner agencies. The service delivery

strategy in providing outreach and other services for agricultural employers, as well as equitable services for migrant and seasonal farm worker, is as follows:

1. Marketing of the One-Stop system to provide information to agricultural employer groups, such as the Hawaii Farm Bureau Federation, the State of Hawaii Department of Agriculture, and other appropriate groups or organizations. Employers, as well as workers, are encouraged to avail themselves of all services offered by the One-Stop Job Centers.
2. Close coordination between programs to provide agricultural employers and workers access to upgrade training through such programs as the State's Employment and Training Fund, which focuses on the incumbent worker.
3. Staff from One-Stop partner agencies will provide information about the migrant and seasonal farm worker programs provided through WagnerPeyser (as well as through the WIA §167 service provider) and are trained to identify individuals who fall into this group. Referral procedures are in place to ensure that equity of services is provided in a manner designed to best meet the needs of these individuals.

The State and Local Office Monitor Advocates work to ensure that migrant and seasonal farm workers are provided equitable services. Slight increases in services provided to MSFWs in each local office will greatly improve the statewide service levels. The State will work with staff to improve the service levels in each of the following equity indicators.

The tools which will be used to conduct outreach contacts, including personal contact, printed matter, videotapes, slides, and/or cassette recordings

WDD will utilize printed brochures and personal contact meetings in its efforts to provide outreach to MSFWs. These are similar to tools that will be used by WDD in its overall outreach strategy efforts in the coming year.

Services provided to agricultural employers and MSFWs through the One-Stop delivery system

WDD provides its services to agricultural employers through job order requests, job matching and referral, and outreach contacts to inform them about its services and programs, e.g., use of the H-2A Certification for Temporary and Seasonal Agriculture Work program and the HireNet Hawaii Virtual One-Stop System. Agricultural labor information shall be disseminated on a timely basis.

While conducting monthly employer contacts, LOMAs will be able to assess which agricultural employers regularly hire MSFWs. Also, job orders archived in the HireNet Hawaii database provide staff historical data on which employers hire MSFWs.

A valued means of connecting workers and employers is through the Department's Virtual One-Stop system, HireNet Hawaii. The internetbased electronic job bank encourages employers and jobseekers alike to conduct user friendly, self-directed searches to identify and contact each other. The system helps agricultural employers to specifically target their search for unemployed farm laborers while the unemployed farm laborer can target agricultural

employers for available jobs. The system is accessible 24 hours, everyday, wherever internet access is available. There is no charge to access the system.

Job order screening and the matching and referral process is the another method of connecting agricultural employers with farm laborers. Job orders received by WDD staff initiate this screening and matching process. Also, all job orders are immediately made available to all OneStop partners statewide. Qualified workers found through job matching or job order screening process are referred to the employer for evaluation.

WDD and MEO are partners in Hawaii's One-Stop system. MEO's staff is fluent in Spanish and Ilocano, which are the first languages of many seasonal farmworkers. WDD provides translation services for persons with Limited English Proficiencies at no cost. A list of bilingual staff is available for these individuals requiring assistance. If staff is not available to assist, WDD has access to "Language Line", which accommodates MSFWs and other jobseekers who may need interpreter assistance.

WDD will continue to utilize workshops, handouts, and outreach activities to promote its services and the HireNet Hawaii Virtual One-Stop system. Agricultural employers (includes small family operated farms and farms owned by corporations) are represented on Local Workforce Investment Boards and provide a valuable link to the agricultural community.

Integral to the local office outreach strategy to agricultural employers is to ensure employers are made aware of the H-2A visa worker program as another option in recruiting farm laborers. LOMAs and the State Monitor Advocate are prepared to conduct H-2A presentations to employers. Supplemental information materials are available to provide as needed.

Numerical goals

Number of MSFWs to be contacted by Labor Exchange staff and other agencies during PY 2012

WDD staff will make an estimated 100 total MSFW outreach contacts during PY 2012.

LOCAL OFFICE	NUMBER OF CONTACTS
Hilo	45
Honolulu	10
Kona	10
Lihue	5
Molokai	10
Wailuku	10
Waipahu.	10
TOTAL.	100

Number of MSFWs to be contacted by other agencies

The WIA section 167 grantee (MEO) estimates 60 new MSFW clients will be assisted in the next year.

Equity Indicators

- Ratio of non-MSFWs to MSFWs referred to jobs,
 - Ratio of non-MSFWs to MSFWs receiving staff assisted services,
 - Ratio of non-MSFWs to MSFWs referred to supportive services,
 - Ratio of non-MSFWs to MSFWs provided with career guidance, and
 - Ratio of non-MSFWs to MSFWs for whom a job development contact was made.
-

Number of staff days to be utilized for outreach during the fiscal year

WDD staff will conduct outreach activities utilizing an estimated 20-staff days or to the extent that office staffing levels permit.

LOCAL OFFICE	DAYS UTILIZED FOR OUTREACH
Hilo	5 days
Honolulu	1.5 days
Kona	3 days
Lihue	3 days
Molokai	3 days
Wailuku	3 days
Waipahu.	1.5 days
TOTAL.	20 DAYS

Level of W-P funding to be used for outreach during the fiscal year

The amount of Wagner-Peyser funding to be used for outreach is approximately \$15,000.

Data analysis

Sugar prices rose to its highest levels since 1980, macadamia nut harvests increased 13 percent, coffee production increased by 7 percent, and Hawaii's top producing crop, and sweet potato production increased volume by 52 percent in 2010. Despite drought conditions, state irrigation reservoirs remained at adequately full levels, therefore ensuring continued crop development.

Hawaii's improving economy should help the agricultural sector to expand and also provide more job opportunities for MFSWs. As a result of these positive trends, the number of agriculture openings and MFSWs could increase slightly should crop production and prices continue their upward growth.

Resources:

- **Statistics of Hawaii Agriculture 2010**,
http://www.nass.usda.gov/Data_and_Statistics/index.asp
- **Maui Economic Opportunity (MEO)**,
<http://meoinc.charityfinders.org>
- **U.S. Department of Agriculture, Economic Research Service**,
www.ers.usda.gov/StateFacts/HI.htm
- **U.S. Department of Agriculture, National Agricultural Statistics Service**,
http://www.nass.usda.gov/Statistics_by_State/Hawaii/Publications/Miscellaneous/hiag.pdf
- **HireNet Hawaii Management Information System**,
Migrant Indicators of Compliance Statewide Report, April 1, 2011 – March 31, 2012

7. Services to Employers

The State Operational Plan must describe how the state will coordinate efforts of the multiple programs included in the plan to meet the needs of business customers of the One-Stop system in an integrated fashion, such as hiring plans, training needs, skill development, or other identified needs.

Local Area plans will be required to describe their methods of coordinating multiple programs operated in their One-Stop Centers to best meet the needs of their business customers. Currently, One-Stop Centers conduct outreach to employers by promoting all workforce services available, with particular emphasis on programs with limited durations. This requires that outreach staff become knowledgeable about resources of their partners, service providers, federal agencies, and many websites. To assist in that effort, the DLIR supports coordination of capacity building for partner and agency staff at state and local levels, as funding levels allow.

Although current restrictions on the Governor's Reserve funds from 15% to 5% effectively provides very little or no program funds to expand the participation of business in the statewide workforce investment system, Rapid Response funds, as described in item 4, will increase employers' awareness and use of One-Stop Center services. Renewed emphasis by Local Veterans Employment and Training Representatives on reaching out to employers and business groups also should expand collaborations with the business community, and outreach efforts by the Disability Employment Initiative Business Relations Coordinators will focus on business relationships to assist persons with disabilities.

The State Operational Plan should also describe how the state will use program funds to expand the participation of business in the statewide workforce investment system. (WIA Sections 111(d)(2), 112(a), 112(b)(8), 112(b)(10), W-P Section 8, 20 CFR 661.205(b)(1).)

The current restrictions on the Governor's Reserve from 15% to 5% effectively provides very little to no program funds to expand the participation of business in the statewide workforce investment system.

8. WIA Single-Area States Only – Additional WIA Title I Requirements

Not applicable. The State of Hawaii is not a WIA Single-Area State entity.

9. WIA Waiver Requests

Per 20 CFR 661.420(c), the State of Hawaii requests that the waivers on the proceeding pages be approved for the five (5) year term of this state plan:

To Permit Reimbursement For On-The-Job-Training by a Sliding Scale

The Hawaii Workforce Development Council (“WDC”), as well as the Workforce Development Division (“WDD”) of the Department of Labor and Industrial Relations, as the State of Hawaii’s administrator for the Workforce Investment Act (“WIA”), is submitting a waiver to permit the State of Hawaii to reimburse employers up to 90 percent for On-The-Job-Training as stated in WIA section 101 (31)(B) for approval from the U.S. Department of Labor (“DOL”).

Hawaii proposes to adjust the OJT reimbursement based on a sliding scale from 50 to 90%. Specifically, the state will establish, or may permit the local workforce investment boards to establish the on-the-job training reimbursement costs. Based on a sliding scale the reimbursement would be up to 90% for employers with 50 or fewer employees; up to 75% for employers with 51 - 250 employees; and up to 50% for employees with 251 or more employees.

The waiver will allow the State to encourage and expand the hiring of dislocated workers and other populations who lack some of the skills needed to meet an employer’s needs. It will provide them with opportunities to add new skills and learn new technologies while they return to the workplace and earn wages to support themselves and their families.

The State has consulted with the LWIBs and the WDD regarding the need for this waiver.

1. Identify the statutory or regulatory requirements to be waived.

Section 101 (31)(B) of the Workforce Investment Act (WIA) of 1998.

2. Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.

There is no state or local barriers to implementing the requested waiver.

3. Describe the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver and expected programmatic outcomes.

This program will maximize the flexibility needed to create OJT opportunities in the private and non-private sectors that provide appropriate skill acquisition opportunities for participants. The State of Hawaii sees the increase in OJT reimbursement as an incentive for companies to use the workforce system established to find workers, and then hire those people into gainful employment. With the scope of those unemployed, this will also provide a chance for companies to hire for positions that are of high quality with higher wages. In some cases, this program will provide the ability for companies to fill critical-need areas that are challenges in their overall workforce.

4. Describe the individuals impacted by the waiver.

Individuals targeted for OJT would be dislocated workers and other hard-to-serve populations with the greatest barriers to employment who are not already skilled enough to obtain available employment and who would most benefit from being able to earn a wage while learning new skill. Employers to be targeted are those with full-time job openings in growth industries and having difficulties finding appropriately skilled workers but who would have the ability to provide on-the-job-training if assisted with the extraordinary costs of providing such training.

5. Describe the process used to monitor the progress in implementing such a waiver.

Upon notification of the approval of this waiver, Section X.D.5 of the State WIA Plan will reflect the terms of the waiver. A WIA Bulletin will be issued to notify local areas of the new policy.

The Workforce Development Council will be responsible for monitoring the effectiveness of this waiver on the Local Areas. The WDC will periodically request information from the Local Areas on how this specific waiver is being effectuated in the Local Area. From these monitoring reports, the WDC will determine whether this specific Waiver will continue to be requested in future extensions of the State Plan.

6. Notice and Opportunity to Comment.

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 1, 2012 and end on July 1, 2012 as part of the overall publication of the State Plan draft for public review. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

To Eliminate 20% Limit on Fund Transfer Between Adult and Dislocated Worker Programs

1. Statutory and Regulatory Requirements to be Waived.

WIA §133(b)(4) and WIA Regulations at 20 CFR §667.140(a) limit the amount of funds that can be transferred between the Adult and the Dislocated Worker employment and training programs. The limits are 20% of the fiscal year allocations to the respective programs.

The Hawaii Department of Labor and Industrial Relations (“DLIR”), the state administrative entity for the Workforce Investment Act (WIA), requests a waiver to eliminate the 20% limitation on transferring local WIA funds between the Adult and Dislocated Worker programs so that, with State approval, 100% of the Adult and Dislocated Worker formula funding is available to meet the workforce needs of the local area.

This waiver request follows the format identified in WIA §189(i)(4)(B) and WIA Regulations at 20 CFR §661.420(c).

2. State or Local Statutory and/or Regulatory Barriers.

There are no state or local statutory or regulatory barriers to implementing the current WIA provision or the waiver.

3. Goals to be Achieved by the Waiver.

The following goals will be achieved with the approval of the waiver request:

- Funds will be directed to where they are most needed for Adult and/or Dislocated Worker clients;
- Greater flexibility for local workforce investment boards and their staff in designing and implementing programs;
- Increased efficiency of local workforce investment boards and their staff who will be able to plan for a year at a time; and
- Improved responsiveness to local need and demand.

4. Programmatic Outcomes by the Waiver.

The waiver will allow local areas to direct funds to where and when they are needed to serve clients. This waiver will increase efficiency and introduce more flexibility and creativ-

ity into designing and implementing employment and training activities for all Adult and Dislocated Worker clients.

5. Impacts on Individuals by the Waiver.

Dislocated Workers will be better served even though, without the waiver, the history for the previous period would mean a lower amount of funds are allocated for their program. Adults will benefit when unused funds for Dislocated Workers are utilized for the Adult program. In other words, the funds will follow the needs of individual clients.

6. Monitoring the Waiver's Implementation.

Upon notification of the approval of this waiver, Section X.D.5 of the State WIA Plan will reflect the terms of the waiver. A WIA Bulletin will be issued to notify local areas of the new policy.

The Workforce Development Council will be responsible for monitoring the effectiveness of this waiver on the Local Areas. The WDC will periodically request information from the Local Areas on how this specific waiver is being effectuated in the Local Area. From these monitoring reports, the WDC will determine whether this specific Waiver will continue to be requested in future extensions of the State Plan.

7. Notice and Opportunity to Comment.

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 1, 2012 and end on July 1, 2012 as part of the overall publication of the State Plan draft for public review. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

To Eliminate Incentive Grants to Local Areas For Regional Cooperation and Local Coordination

1. Statutory and Regulatory Requirements to be Waived.

WIA §134(a)(2)(B)(iii) and WIA Regulations at 20 CFR §665.200(e)(1) and (2) require, as statewide workforce investment activities, providing incentive grants (1) to local areas for regional cooperation among Local Boards and (2) for local coordination of activities carried out under WIA.

Furthermore, under 20 CFR §661.290, it states that the State may require Local Boards within a designated region (1) Participate in a regional planning process that results in regional performance measures for workforce investment activities under title I of WIA. Regions that meet or exceed the regional performance measures may receive regional incentive grants; (2) Share, where feasible, employment and other types of information that will assist in improving the performance of all local areas in the designated region on local performance measures; and (3) Coordinate the provision of WIA title I services, including supportive services such as transportation, across the boundaries of local areas within the designated region.

The Hawaii Department of Labor and Industrial Relations (DLIR), the state administrative entity for the Workforce Investment Act (WIA), requests a waiver to eliminate the requirement to provide incentive grants to local areas for regional cooperation among local boards and for local coordination of WIA activities.

In implementing this waiver, the DLIR will ensure that local areas' performance information is recorded accurately, One-Stop operations are made more efficient and responsive to customers, and the youth programs receive additional technical assistance.

This waiver request follows the format identified in WIA §189(i)(4)(B) and WIA Regulations at 20 CFR §661.420(c).

2. State or Local Statutory and/or Regulatory Barriers.

There are no state or local statutory or regulatory barriers to implementing the award or the waiver.

3. Goals to be achieved by the Waiver.

The following goals will be achieved with the approval of the waiver request:

- The funds will be put to better, more productive use by streamlining (1) the management accountability information system and (2) providing more technical assistance to youth service providers and local monitors in local areas having poor performance; and

- Data entry by the local areas will be more accurate, which will improve the performance measures. Historically, Hawaii's poor data entry has meant successful outcomes have not been consistently reported. Local workforce investment boards and their staff will eliminate the Coordination/Cooperation incentive application process from their workload.

4. Programmatic Outcomes by the Waiver.

The waiver will create administrative efficiencies for both the DLIR and the local areas by eliminating the incentive award application process and requiring fewer contract amendments and modifications.

5. Impacts on Individuals by the Waiver.

Employers and WIA participants will be empowered to select and use the services of the One-Stops more independently. Through the HireNet Hawaii system, potential WIA participants can self-identify and access WIA services. Individual youth will receive better service and outcomes due to technical assistance targeted toward them.

6. Monitoring the Waiver's Implementation.

Upon notification of the approval of this waiver, Section X.D.5 of the State WIA Plan will reflect the terms of the waiver. A WIA Bulletin will be issued to notify local areas of the new policy.

The Workforce Development Council will be responsible for monitoring the effectiveness of this waiver on the Local Areas. The WDC will periodically request information from the Local Areas on how this specific waiver is being effectuated in the Local Area. From these monitoring reports, the WDC will determine whether this specific Waiver will continue to be requested in future extensions of the State Plan.

7. Notice and Opportunity to Comment.

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 1, 2012 and end on July 1, 2012 as part of the overall publication of the State Plan draft for public review. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

Exempt the State of Hawaii From Including On-the-Job-Training Participants In Credential Attainment Measures

The Hawaii Workforce Development Council (“WDC”), as well as the Workforce Development Division (“WDD”) of the Department of Labor and Industrial Relations, as the State of Hawaii’s administrator for the Workforce Investment Act (“WIA”) is submitting a waiver to exempt the state of Hawaii from including On-The-Job-Training (“OJT”) participants in credential attainment measures.

The State has consulted with the Local Workforce Investment Boards (“LWIBs”) and the WDD regarding the need for this waiver.

1. Identify the statutory or regulatory requirements to be waived.

Hawaii is requesting a waiver of WIA Regulations 666.100 (a) (1) (iv) for Adults and 666.100 (a) (2) (iv) for Dislocated Workers to exclude individuals who are participating in the OJT activities from inclusion in the WIA performance measures of entered unsubsidized employment and attainment of credentials. The exclusion is for inclusion in the Credential Rate measure outcomes only. Participants will continue to be reported and included in the quarterly WIASRD submissions, as well as continue to be accountable for all other applicable performance measures’ outcomes.

This waiver request follows the format identified in WIA §189(i)(4)(B) and WIA Regulations at 20 CFR §661.420(c).

2. Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.

There is no state or local barriers to implementing the requested waiver.

3. Describe the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver and expected programmatic outcomes.

The goal of this waiver is to give the local workforce investment areas greater flexibility and access to use of the OJT activity without having a negative impact on credential/certificate related to this performance measure. The State of Hawaii feels that, with this waiver, the Local Workforce Investment Boards (“LWIBs”) will have an incentive to increase OJT activity without adversely impacting overall performance. Currently, OJT training adversely counts toward attainment measures, as most OJT activities do not customarily lead to a nationally recognized certificate or credential – a requirement in performance measures. Because the State of Hawaii’s businesses are mostly in the “small business” category, most OJT training that occurs is not nationally certified, but is tailored more toward the specific

business, their operations and procedures. These in themselves will give those trained valuable skills and knowledge.

4. Describe the individuals impacted by the waiver.

Providing more flexibility in the workforce system to allow the use of OJT provides significant advantages for businesses, workers, as well as WIA provider entities. For the workforce system, this waiver will give LWIB administrators more flexibility in implementing OJT programs, in a wider range, to employer-partners. With the ability to provide more flexibility in providing resources toward OJT programs from the LWIBs, Employers will be able to utilize OJT, thus minimizing the upfront costs of training and supervision for new employees, ensure that training is aligned with actual skill requirements of the job, and realize immediate gains in productivity as workers learn on the job. Workers participating in OJT benefit because they are receiving a paycheck while acquiring the skills to perform effectively on the job and advance their careers beyond the lifespan of the training program.

5. Monitoring the Waiver's Implementation.

Upon notification of the approval of this waiver, Section X.D.5 of the State WIA Plan will reflect the terms of the waiver. A WIA Bulletin will be issued to notify local areas of the new policy.

The Workforce Development Council will be responsible for monitoring the effectiveness of this waiver on the Local Areas. The WDC will periodically request information from the Local Areas on how this specific waiver is being effectuated in the Local Area. From these monitoring reports, the WDC will determine whether this specific Waiver will continue to be requested in future extensions of the State Plan.

6. Notice and Opportunity to Comment.

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 1, 2012 and end on July 1, 2012 as part of the overall publication of the State Plan draft for public review. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

To Change Required 50% Employer Match For Customized Training to a Sliding Scale

1. Statutory and Regulatory Requirements to be Waived.

WIA §101(8) defines customized training as training (a) that is designed to meet the special requirements of an employer (including a group of employers) and (b) that is conducted with a commitment by the employer to employ an individual upon successful completion of the training. Employers are required to pay not less than 50% of the cost of the customized training.

The Hawaii Department of Labor and Industrial Relations (DLIR), the state administrative entity for the Workforce Investment Act (WIA), requests a waiver to change the required 50% employer match for customized training to a sliding scale.

This waiver request follows the format identified in WIA §189(i)(4)(B) and WIA Regulations at 20 CFR §661.420(c).

2. State or Local Statutory and/or Regulatory Barriers.

There are no state or local statutory or regulatory barriers to requiring the 50% employer match for customized training or applying a sliding scale for employer contributions.

3. Goals to be achieved by the Waiver.

The following goals will be achieved with the approval of the waiver request:

- Increase employer participation in WIA customized training programs at the local level, as the sliding scale will correspond to the employer's cost benefit ratio to hire and retain skilled employees. The sliding scale will address employers' primary objection of paying too much (50%) to participate in customized training;
- Equip workers with relevant job training and transferable skills that lead to high-skill, high-wage occupations and industries. The sliding scale will favor training for high skills; as it will be more feasible for employers who pay higher salaries to participate in customized training; and
- Improve the local areas' business services and employers' customer satisfaction.

4. Programmatic Outcomes by the Waiver.

- Increase the number of employers who use customized training as a means to train, hire, and retain skilled employees; and
- Increase the number of workers trained and hired through customized training programs.

The reduced match requirement will benefit employers financially and result in increased participation in customized training which will prepare individuals for higher skilled jobs. WIA eligible individuals with multiple barriers to employment, low basic skills, and English language proficiency stand to gain the most from customized training.

5. Monitoring the Waiver's Implementation.

Upon notification of the approval of this waiver, Section X.D.5 of the State WIA Plan will reflect the terms of the waiver. A WIA Bulletin will be issued to notify local areas of the new policy.

The Workforce Development Council will be responsible for monitoring the effectiveness of this waiver on the Local Areas. The WDC will periodically request information from the Local Areas on how this specific waiver is being effectuated in the Local Area. From these monitoring reports, the WDC will determine whether this specific Waiver will continue to be requested in future extensions of the State Plan.

6. Notice and Opportunity to Comment.

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 1, 2012 and end on July 1, 2012 as part of the overall publication of the State Plan draft for public review. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

To Waive Subsequent Eligibility For Eligible Training Providers

1. Statutory and Regulatory Requirements to be Waived.

WIA section 122(c) and (d)(1) and WIA regulations at 20 CFR section 663.530-550 requires and describes the subsequent eligibility process for eligible training providers (“ETPs”). Most WIA training services are provided through Individual Training Accounts (“ITAs”), which may be used to purchase training from only ETP.

The Hawaii Department of Labor and Industrial Relations (“DLIR”), the state administrative entity for the Workforce Investment Act (“WIA”), requires a waiver to eliminate the subsequent eligibility process thus allowing providers that the local areas found eligible initially to continue under the initial eligibility process and safeguards.

The waiver request follows the format identified in WIA section 189(i)(4)(B) and WIA regulations at 20 CFR section 661.420(c).

2. State or Local Statutory and/or Regulatory Barriers.

There is no state or local barriers to implementing the requested waiver.

3. Describe the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver and expected programmatic outcomes.

The following goals will be achieved with the approval of this waiver request:

- Reduce a significant amount of staff time and resources in implementing the subsequent eligibility process, which Congress is very likely to eliminate anyway in WIA reauthorization;
- Increase customer choice and number of Eligible Training Providers by removing onerous data collection requirements on the ETP’s; and
- Streamline the information for customers by removing meaningless, empty and/or untimely data cells.

4. Programmatic outcomes by the Waiver.

The waiver will reduce a significant amount of staff time and resources currently directed toward the collection of performance data and calculation of performance outcomes by provider and program. Freeing staff and resources from this task will enable us to improve the

management information system and provide more technical assistance toward performance outcomes. The onerous data collection requirements also have discouraged providers, including some community colleges, from applying for subsequent eligibility, and removal of this requirement will encourage more providers to apply, thereby giving customers more choices in training.

5. Impacts on individuals by this Waiver.

- WIA clients will have greater customer choice; and
- Information will be straightforward and useful for individuals.

6. Monitoring the Waiver's Implementation.

Upon notification of the approval of this waiver, Section X.D.5 of the State WIA Plan will reflect the terms of the waiver. A WIA Bulletin will be issued to notify local areas of the new policy.

The Workforce Development Council will be responsible for monitoring the effectiveness of this waiver on the Local Areas. The WDC will periodically request information from the Local Areas on how this specific waiver is being effectuated in the Local Area. From these monitoring reports, the WDC will determine whether this specific Waiver will continue to be requested in future extensions of the State Plan.

7. Notice and Opportunity to Comment.

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 1, 2012 and end on July 1, 2012 as part of the overall publication of the State Plan draft for public review. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

Request to Waive Competitive Procurement For Selected Youth Elements Required Under WIA

The Hawaii Workforce Development Council (“WDC”), as well as the Workforce Development Division (“WDD”) of the Department of Labor and Industrial Relations, as the State of Hawaii’s administrator for the Workforce Investment Act (“WIA”), is submitting a waiver to competitive procurement for selected youth elements, as stated in WIA section 123 for approval from the U.S. Department of Labor (“DOL”). The State of Hawaii requests a waiver of the competitive procurement requirements for just the following four youth program elements: follow up services; guidance and counseling; support services; and paid and unpaid work experience.

The WDC has consulted with the LWIBs and the WDD regarding the need for this waiver. The City and County of Honolulu will be utilizing this waiver as they are local grant recipients to administer the youth programs for Oahu local workforce development area.

The City and County of Honolulu, which is the grant recipient/fiscal agent of the WIA programs for the Oahu local workforce development area, has been using competitive procurement methods to provide nine of the eleven youth elements. The interpretation of design framework is that it includes a comprehensive array of services under case management, and should include guidance and counseling and follow up services. Therefore, the City has also been providing follow up services, and guidance and counseling in addition to intake, objective assessment and development of individual service strategy as services within the design framework.

1. Identify the statutory or regulatory requirements to be waived.

The State of Hawaii requests a waiver to those statutory and regulatory requirements that require the local areas to conduct a competitive procurement for all of its Youth program elements. According to Section 123 of the Workforce Investment Act (WIA) of 1998, Identification of Eligible Providers of Youth Activities requires that all eleven of the essential elements of any successful youth program be competitively procured. The section reads as follows:

From funds allocated under paragraph (2)(A) or (3) of section 128(b) to a local area, the local board for such area shall identify eligible providers of youth activities by awarding grants or contracts on a competitive basis, based upon the recommendations of the youth council and on the criteria contained in the State plan, to the providers to carry out the activities, and shall conduct oversight with respect to the providers, in the local area.

Notwithstanding the above, Section 664.405 of the WIA Rules and Regulations states that competitive procurement does not apply to the design framework component:

The requirement in WIA section 123 that eligible providers of youth services be selected by a awarding a grant or contract on a competitive basis does not apply to the design framework component, such as services for intake, objective assessment and the development of individual service strategy, when these services are provided by the grant recipient/fiscal agent.

The City and County of Honolulu, which is the grant recipient/fiscal agent of the WIA programs for the Oahu local workforce development area, has been using competitive procurement methods to provide nine of the eleven youth elements. Our interpretation of design framework is that it includes a comprehensive array of services under case management, and should include guidance and counseling and follow up services. Therefore, the City has also been providing follow up services, and guidance and counseling in addition to the above examples of intake, objective assessment and development of individual service strategy as services within the design framework.

Support services are procured. However, for those youth service vendors who do not provide support services, the City assists them in providing support services directly to the youth.

Paid and unpaid work experience is procured. However, beginning in PY 09, the City would like to supplement the delivery of paid and unpaid work experience by youth service vendors by adding this element as part of the design framework to strengthen the case management model. With the waiver, the City will have the flexibility in procuring this element for vendors to provide paid and unpaid work experience as well as in operating this program element in-house within the design framework.

The State of Hawaii requests a waiver of the competitive procurement requirements for just the above four youth program elements: follow up services; guidance and counseling; support services; and paid and unpaid work experience.

2. Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.

The State of Hawaii has implemented WIA under federal law and did not include any additional requirements or limitations on the design of WIA youth activities. Local workforce development boards have adopted state policies without any additional requirements or limitations. Since no additional state or local barriers have been imposed, there is none to remove.

3. Describe the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver and expected programmatic outcomes.

The goals for the youth program under the waiver will be greater effectiveness and efficiency. There will be increased flexibility and continuity of program delivery to better meet customers' needs.

By keeping guidance and counseling, follow-up, support services, and paid and unpaid work-experience together with other functions such as intake, assessment, and the development of employment plans, one stop case management is facilitated. Simplification and integration of coordination allows more resources to be focused on the youth that are served.

4. Describe the individuals impacted by the waiver.

The individuals impacted by this waiver are older and younger youth customers.

Youth customers will benefit by receiving a streamlined array of services allowing for greater coordination and implementation of individual service strategies. With greater con-

tinuity and consistency, youth will receive complementary services enabling them to better address barriers and work toward fulfilling their education and training plans.

In addition, Hawaii's Workforce Development Council and the local areas will receive greater flexibility in the design of their youth programs. Local areas under the waiver will have a choice as to whether to contract out these youth elements or to do them in house. The local areas will also have the flexibility of supplementing the work performed by the youth service vendors.

5. Monitoring the Waiver's Implementation.

Upon notification of the approval of this waiver, Section X.D.5 of the State WIA Plan will reflect the terms of the waiver. A WIA Bulletin will be issued to notify local areas of the new policy.

The Workforce Development Council will be responsible for monitoring the effectiveness of this waiver on the Local Areas. The WDC will periodically request information from the Local Areas on how this specific waiver is being effectuated in the Local Area. From these monitoring reports, the WDC will determine whether this specific Waiver will continue to be requested in future extensions of the State Plan.

6. Notice and Opportunity to Comment.

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 1, 2012 and end on July 1, 2012 as part of the overall publication of the State Plan draft for public review. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

Of Permitting Individual Training Accounts for Youth Only If They Are Eligible and Co-enrolled as Adults

The State of Hawaii Workforce Development Council (“WDC”), after consultation with appropriate key partners, including the Local Workforce Investment Boards (“LWIBs”) is requesting a waiver to Title 20, CFR Section 664.510, which permits Individual Training Accounts (“ITA”) for youth only if they are determined eligible for and are co-enrolled as an adult or dislocated worker.

Hawaii’s intent for this waiver is to enable the state’s LWIBs to increase older youth enrollment and serve more of that population. As described below, the population of Older Youth in Hawaii does not always follow an academic path upon graduation from high school. To serve Hawaii’s Older Youth that may, instead of college/trade school, may choose to enter employment immediately, the ability to offer this population the necessary resources to obtain critical training is vital. Adult and dislocated worker programs provided through Eligible Training Providers (“ETP”) can provide that training in order to allow the Older Youth to possibly pursue career-track employment opportunities that provide enhanced opportunities for advancement throughout their employment career.

1. Identify the statutory or regulatory requirements to be waived.

Title 20, CFR Section 664.510, which permits ITAs of youth only if they are eligible and co-enrolled as adults.

2. Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.

There is no state or local barriers to implementing the requested waiver.

3. Describe the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver and expected programmatic outcomes.

A number of older youth in the state of Hawaii are either not going to school, already working, or intending on entering the workforce upon graduation from high school. To address this growing client group, this waiver would allow older youth to select approved programs from the Eligible Training Provider list, while retaining their Older Youth classification. Individual Training Accounts (“ITAs”) will be made available to Older Youth in order to provide the necessary financial resources for them to obtain training through ETPs.

4. Describe the individuals impacted by the waiver.

This waiver will directly impact older youth that will now be able to benefit from accessing more training opportunities through the use of the ETP, affording them the same opportunities given to adult and dislocated workers.

5. Describe the process used to monitor the progress in implementing such a waiver.

Upon notification of the approval of this waiver, Section X.D.5 of the State WIA Plan will reflect the terms of the waiver. A WIA Bulletin will be issued to notify local areas of the new policy.

The Workforce Development Council will be responsible for monitoring the effectiveness of this waiver on the Local Areas. The WDC will periodically request information from the Local Areas on how this specific waiver is being effectuated in the Local Area. From these monitoring reports, the WDC will determine whether this specific Waiver will continue to be requested in future extensions of the State Plan.

6. Notice and Opportunity to Comment.

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 1, 2012 and end on July 1, 2012 as part of the overall publication of the State Plan draft for public review. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

Transfer of Up To 25% of the Governor's 25% Reserve For Statewide Rapid Response Activities to Support Statewide Workforce Investment Activities

1. Identify the statutory or regulatory requirements to be waived.

20 CFR 665.320 (d)(2) restricts states from using 25% rapid response funds to directly fund State Level Activities, including incumbent worker training.

2. Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.

There is no state or local barriers to implementing the requested waiver.

3. Describe the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver and expected programmatic outcomes.

This waiver will allow for the continuation of the State-local partnership that provides Statewide Activities funds to meet real-time needs, including accounting and other mandatory activities that are required of it by WIA.

This waiver will allow the State to more effectively direct funding where it is most needed to provide necessary support services to the local areas that will be dramatically affected by the reduction in the Governor's reserve from 15% to 5% as of the start of fiscal year 2012. Because of this reduction, without subsequent funding from either the state or other federal funds, Hawaii risks being in non-compliance with WIA state mandated activities starting in the next fiscal year (2012). This includes monitoring, accounting and timely reporting to the USDOL ETA.

4. Describe the individuals impacted by the waiver.

This waiver would support state level activities including but not limited to programs that provide training to incumbent workers.

5. Describe the process used to monitor the progress in implementing such a waiver.

Upon notification of the approval of this waiver, Section X.D.5 of the State WIA Plan will reflect the terms of the waiver. A WIA Bulletin will be issued to notify local areas of the new policy.

The Workforce Development Council will be responsible for monitoring the effectiveness of this waiver on those statewide activities that are funded through monies diverted from Rapid Response. The WDC will periodically request and obtain information from other statewide entities that will use the monies on how this specific waiver is being effectuated at the statewide level. From these monitoring reports, the WDC will determine whether this specific Waiver will continue to be requested in future extensions of the State Plan.

6. Notice and Opportunity to Comment.

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 1, 2012 and end on July 1, 2012 as part of the overall publication of the State Plan draft for public review. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

Use of Rapid Response Funding for Incumbent Worker Training

1. Identify the statutory or regulatory requirements to be waived.

The State of Hawaii requests a waiver from the provisions of WIA Sections 134 (Use of Funds for Employment Training Activities), as well as a waiver from the provisions of WIA regulation at 20 CFR 665.300 regarding the use of WIA Rapid Response funds.

2. Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.

There is no state or local barriers to implementing the requested waiver.

3. Describe the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver and expected programmatic outcomes.

Hawaii is currently facing a critical funding reduction from WIA formula funds starting in Fiscal Year 2012. To be able to continue to provide statewide activities in the form of providing incumbent worker training, the State of Hawaii feels that investing public resources to support technical and/or soft skills training of incumbent workers is a practical layoff aversion strategy for the state. The healthcare, agriculture and tourism industries – which are targeted high-growth industries in Hawaii – are the industries in which funding will initially be funneled to regarding incumbent worker training programs.

The training that will be provided includes occupational skills training designed to meet the special requirements of a business and is conducted with employer commitment. Training is expected to provide skills which result in the employer being able to adjust to a changing economic climate by providing the jobs necessary to do so, thus avoiding layoffs. Training is also expected to provide skills for employees, which will permit advancement to higher skilled, higher paying jobs and job retention.

4. Describe the individuals impacted by the waiver.

This waiver plan will positively impact businesses by reducing the risk of layoff or closure because workers have not kept current with new skills and technologies. It also has the potential to stimulate new, lower-skill positions and create openings in positions vacated by incumbent workers who receive skills upgrade training. Hawaii has seen upgrade skills training positively affect the healthcare industry, which allows for lower, entry level positions to be opened for newly graduated nurses and other healthcare professionals to enter the industry in

the state. The training provided to individuals will make them more valuable to current and future employers.

5. Describe the process used to monitor the progress in implementing such a waiver.

Upon notification of the approval of this waiver, Section X.D.5 of the State WIA Plan will reflect the terms of the waiver. A WIA Bulletin will be issued to notify local areas of the new policy.

The Workforce Development Council will be responsible for monitoring the effectiveness of this waiver on those statewide activities that are funded through monies diverted from Rapid Response. The WDC will periodically request and obtain information from other statewide entities that will use the monies on how this specific waiver is being effectuated at the statewide level. From these monitoring reports, the WDC will determine whether this specific Waiver will continue to be requested in future extensions of the State Plan.

6. Notice and Opportunity to Comment.

Commentary on this Waiver will be solicited prior to submission through a public comment period to begin on June 1, 2012 and end on August 15, 2012 as part of the overall publication of the State Plan draft for public review. The notice, welcoming public comment will be posted on the Hawaii State Department of Labor and Industrial Relations website. Furthermore, all members of the WDC, along with all local WIB Directors will also be contacted regarding any comments they may have on this Waiver.

Request to Waive Requirement of Providing Assistance to Local Areas With High Concentration of Eligible Youth

The State of Hawaii is submitting a request to waive the requirement of providing assistance to local areas that have high concentrations of eligible youth. Due to a severe limitation on statewide funds, Hawaii is requesting that financial assistance not be distributed to identified local areas.

1. Identify the Statutory or Regulatory Requirements to be Waived

Section 129 (b)(2)(C) of the Workforce Investment Act and 20 CFR 652 § 665.200(h) require the provision of additional assistance to local areas that have high concentration of eligible youth to carry out the activities described in subsection (c), Local Elements and Requirements. State Administrative Funds capped at 5% and a decrease in the total allotment of funds for Youth Programs have greatly reduced the funds available to carry out this requirement. In the past, amounts of \$2,000 were available for two of the four local areas: Hawaii County received \$1,500, while Maui County received \$500. The administrative costs to gather relevant data, calculate the distribution of funds, and modify agreements to incorporate such amounts far outweigh the actual benefit to the receiving agencies.

2. State or Local Statutory and/or Regulatory Barriers

There are no state or local statutory or regulatory barriers to implementing the requested waiver.

3. Goals to be Achieved by the Waiver

The Local Areas who would possibly benefit from the financial technical assistance will not need to spend time and money in processing administrative documents to incorporate insignificant amounts of funds.

The funds will be better utilized by providing technical assistance to all local areas in areas in meeting performance outcomes.

Technical assistance will be provided to all local areas in transitioning to the Common Measures and in particular, designing program elements to successfully meet/exceed the new Numeracy/Literacy measure.

4. Programmatic Outcomes by the Waiver

The waiver will allow the DLIR to provide technical assistance to all local areas instead of conducting administrative paperwork that will have minimal impact on only half the local areas.

5. Impact on Individuals by the Waiver

There will be no discernible impact on participants.

6. Monitoring the Waiver's Implementation

The Workforce Development Council will be responsible for monitoring the effectiveness of the waiver on the Local Areas. If there is an increase in the funds allotted to the State, the need for this waiver will be evaluated and the waiver may be rescinded.

7. Notice and Opportunity to Comment

Public comments on this waiver will be solicited prior to submission. The waiver request is included in the draft State Plan, for which the public comment period is from August __, 2012 to September __, 2012. Comments will also be solicited from members of the all local WIBs.

10. Trade Adjustment Assistance (TAA)

States must describe how TAA will coordinate with WIA/W-P to provide seamless services to participants and address how the state:

Provides early intervention (e.g. rapid response) to worker groups on whose behalf a TAA petition has been filed. (WIA Sections 112(b)(17)(A)(ii), 134(a)(2)(A), 20 CFR 665.300-340.)

After receiving information of an impending layoff or a TAA petition, WDD staff will contact the employer as part of Rapid Response services to assess the needs of the employer and affected workers. The Rapid Response Team, consisting of staff from WIA, Wagner-Peyser, and TAA, works closely together to coordinate the gathering of information from the employer about potential TAA eligibility and workers' skill levels and experiences. During Rapid Response sessions, information about One-Stop Center services will be provided, including TAA benefits, if workers appear to be potentially eligible for TAA services.

Provides core and intensive services to TAA participants, as indicated in the encouragement of co-enrollment policies provided in TEGl 21-00. The description should provide detailed information on how assessments are utilized to identify participants' service needs, including whether participants need training according to the six criteria for TAA-approved training. (20 CFR 617.21(c), 617.22(a))

Following Rapid Response sessions, or in response to TAA petitions, information about workers' skills and experiences will be gathered from the employer, individual worker surveys, and registration in HireNet Hawaii to help design specific core services such as job search workshops, resume writing, and use of labor market information. TAA participants will be individually assessed through interviews with a job counselor, assessment tools such as COPS, CAPS, Career Kokua, or online tools such as My Skill My Future, and an employment plan will be developed with a job counselor to identify barriers to employment and produce a plan to address those barriers to employment. The six criteria for TAA-approved training will be used as a basis for determining whether TAA training is allowable and appropriate. Where the six criteria are not met, other resources, such as WIA services, will be used as applicable and if more appropriate. Often, TAA participants are first served in WIA programs for training and supportive services because TAA petitions are not approved until several months after layoffs occur.

Has developed and managed resources (including electronic case management systems) to integrate data provided through different agencies administering benefits and services (TAA, Trade Readjustment Allowances, Unemployment Insurance, Employment Security, WIA, etc.) in order to ensure consistent program administration and fiscal integrity, as well as reliable fiscal and performance reporting. (May alternatively be discussed in "operating systems and policies" section of Operating Plan.) (WIA Sections 112(b)(8)(A), (B).)

The TAA Program shares the same MIS system as that for WIA and Wagner-Peyser Programs, which gives all One-Stop staff the capability to view the participants' case files in all

of these programs for more effective coordination of effort. This common MIS also enables TAA staff to ensure that the mix of services is effectively designed among programs to avoid duplication of effort.

The UI Division is closely linked to TAA activities and staff of both programs work in close collaboration.

11. Senior Community Service Employment Program (SCSEP)

At this time the State of Hawaii chooses not to integrate the SCSEP plan into the integrated WIA/W-P State Plan. The SCSEP plan will be submitted as a stand alone plan by the State Workforce Agency, the Department of Labor and Industrial Relations.

SECTION III.

INTEGRATED WORKFORCE PLAN ASSURANCES AND ATTACHMENTS

This section provides a “check-the-box” table of assurance statements and a single signature sheet to certify that the information provided by the state, and submitted to the Department, in the following table is accurate, complete, and meets all legal and guidance requirements.

The table below contains the assurances, the legal reference that corresponds to each assurance, and a column for the state to provide a reference to the document(s) that it believes meets the stated assurance or where the statute requires documentation of a policy or procedure. Such a reference may be a hyperlink to an on-line document or it may be an attachment.

Not all assurances require documents to be attached or referenced. Where an approved special exemption, waiver, or an approved alternate structure makes an assurance not applicable to your state, please insert the words “Not Applicable” in the reference column.

By checking each assurance, attaching the proper documentation or links, and signing the certification at the end of the document, the state is certifying it has met each of the legal planning requirements outlined in WIA law and regulations and in corresponding Departmental guidance.

By checking each box and signing the certification, the state is also indicating that its supporting documentation meets all applicable Federal and state laws and regulations and is available for review.

Any deficiencies in the documentation attached to each assurance identified during the state plan review process may result in additional technical assistance and a written corrective action as part of the Department’s conditional approval of the state’s Integrated Workforce Plan. Assurances that are part of the state’s grant agreement are not duplicated here.

STATEMENT OF ASSURANCES CERTIFICATION

The State of Hawaii certifies on the _____ day of _____ month in _____ year that it complied with all of required components of the Workforce Investment Act and Wagner-Peyser Act. The State of Hawaii also assures that funds will be spent in accordance with the Workforce Investment Act and the Wagner-Peyser Act and their regulations, written Department of Labor guidance implementing these laws, and all other applicable Federal and state laws and regulations.

GOVERNOR

DATE

PROGRAM ADMINISTRATION DESIGNEES AND PLAN SIGNATURES

NAME OF WIA TITLE I GRANT RECIPIENT AGENCY:

Hawaii State Department of Labor and Industrial Relations

Address: 830 Punchbowl Street, Room 321, Honolulu, HI 96813

Telephone Number: 808-586-8844

Facsimile Number: 808-586-9099

E-mail Address: dlir.director@hawaii.gov

NAME OF WIA TITLE I SIGNATORY OFFICIAL:

Dwight Y. Takamine, Director

Hawaii State Department of Labor and Industrial Relations

Address: 830 Punchbowl Street, Room 321, Honolulu, HI 96813

Telephone Number: 808-586-8844

Facsimile Number: 808-586-9099

E-mail Address: dlir.director@hawaii.gov

NAME OF WIA TITLE I LIAISON:

Dwight Y. Takamine, Director

Hawaii State Department of Labor and Industrial Relations

Address: 830 Punchbowl Street, Room 321, Honolulu, HI 96813

Telephone Number: 808-586-8844

Facsimile Number: 808-586-9099

E-mail Address: dlir.director@hawaii.gov

NAME OF WAGNER-PEYSER ACT GRANT RECIPIENT/STATE EMPLOYMENT SECURITY AGENCY:

Same as WIA Title I Liaison above

NAME AND TITLE OF STATE EMPLOYMENT SECURITY ADMINISTRATOR (SIGNATORY OFFICIAL):

Dwight Y. Takamine, Director

Hawaii State Department of Labor and Industrial Relations

Address: 830 Punchbowl Street, Room 321, Honolulu, HI 96813

Telephone Number: 808-586-8844

Facsimile Number: 808-586-9099

E-mail Address: dlir.director@hawaii.gov

NAME AND TITLE OF STATE LABOR MARKET AND RESEARCH DIRECTOR :

Francisco P. Corpuz, Chief

Hawaii State Department of Labor and Industrial Relations

Address: 830 Punchbowl Street, Room 304, Honolulu, HI 96813

Telephone Number: 808-586-8996

Facsimile Number: 808-586-9022

E-mail Address: francisco.p.corpuz@hawaii.gov

As the governor, I certify that for the State of Hawaii, the agencies and officials designated above have been duly designated to represent the State in the capacities indicated for the Workforce Investment Act, title I, and Wagner-Peyser Act grant programs. Subsequent changes in the designation of officials will be provided to the U.S. Department of Labor as such changes occur.

I further certify that we will operate our Workforce Investment Act and Wagner-Peyser Act programs in accordance with this plan and the assurances herein.

Neil Abercrombie

TYPED NAME OF GOVERNOR

GOVERNOR

DATE